

LAFCO MEMORANDUM

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION

105 East Anapamu Street • Santa Barbara CA 93101 • (805) 568-3391 + Fax (805) 568-2249

April 7, 2022 (Agenda)

TO: Each Member of the Commission

FROM: Mike Prater
Executive Officer

SUBJECT: **Receive and File A Report on CALAFCO 2022 Current Tracked Legislation**

This is an Informational Report. No Action is Necessary

CALAFCO Tracked Legislation

The CALAFCO Legislative Committee convened two meetings on January 28 & March 11, 2022. Your Executive Officer participates by ZOOM. A copy of the available Meeting Agendas is attached as **Attachment A**.

A number of the listed bills, are progressing through the legislative process. Staff will verbally update the Commission on the status of these bills at the meeting.

CALAFCO is tracking a number of bills during the current legislative session. The List of Current Tracked Bills, as of March 25, 2022, are attached as **Attachment B**. Of particular note are Assembly Bill 897 (Mullin) and Assembly Bill 1640 (Ward), these bills build on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region. CALAFCO has taken a position of Support.

Senate Bill 852 (Dodd) introduced a bill that would create the Climate Resilience Districts Act. The bill completely bypasses LAFCO in the formation and oversight of these new districts. The districts appear to not be providing any services but instead acting as a funding mechanism for local climate resilience projects. CALAFCO has taken a position of Watch.

Attachments

Attachment A – CALAFCO Legislative Committee Agenda- January 28 & March 11, 2022

Attachment B – List of CALAFCO Current Tracked Bills

Please contact the LAFCO office if you have any questions.

CALAFCO Legislative Committee MEETING AGENDA

Friday, January 28, 2022 ♦ 10:00 am – 12:00 pm
Virtual via Zoom

<https://us02web.zoom.us/j/83957520216?pwd=dUJmdHQvTG9PN0t6Wkhub1ZVcWxYZz09>

Meeting ID: 839 5752 0216

Passcode: 954872

Phone: 669-900-6833

| | <u>Page</u> |
|---|---------------------|
| 1. Welcome, Roll Call, Review Agenda | <i>P. Miller</i> |
| 2. Approval of minutes of the December 3, 2021 meeting* | <i>P. Miller</i> 3 |
| 3. Update of 2022 Legislative Omnibus Bill Process* | <i>J. Serrano</i> 7 |
| 4. Update on other 2022 Legislative priorities* | <i>P. Miller</i> 9 |
| a. Co-sponsorship with San Diego LAFCo on §56133 proposal | |
| b. Protest provisions legislation | |
| 5. Discussion on legislation affecting LAFCos* | <i>P. Miller</i> 11 |
| Priority One Bills: | |
| a. SB 852 (Dodd) – Climate resilience districts | 15 |
| Priority Three Bills: | |
| a. SB 418 (Laird) – Pajaro Valley HCD formation | 27 |
| 6. Update of other CALAFCO tracked bills* | <i>P. Miller</i> 35 |
| 7. Items for Next Meeting | <i>All</i> |
| 8. Adjournment to March 11, 2022 meeting at 10:00 a.m., held virtually. | |

* Please see attached staff report.

This page intentionally left blank.

**CALAFCO Legislative Committee
DRAFT SUMMARY MEETING MINUTES**

Date: December 3, 2021

Location: Virtual

Participants: Clark Alsop[^], Mark Bramfitt, **Bill Connelly**, Carolyn Emery, Rob Fitzroy, Paula Graf, **Gay Jones**, Steve Lucas, Kai Luoma, **Mike McGill**, Pamela Miller, Joe Serrano, Paula de Sousa, Jennifer Stephenson and Gary Thompson.

Others present: Advisory Committee Members: Priscilla Allen, Tara Bravo[^], Crystal Craig, Brandon Fender, Sara Lytle-Pinhey, Erica Sanchez, Jim Simon and Luis Tapia.

Guests included: Paul Novak (Los Angeles).

Recorder: Pamela Miller

[^] indicates not present the entire meeting

1. Welcome, Roll Call, Review Agenda

Roll call was taken and a quorum established. The meeting was called to order at 10:08 a.m. Pamela Miller announced item 5b was added last night and everyone should have received the amended agenda and addendum item.

2. Approval of minutes of the October 22, 2021 meeting

MOTION: *Mike McGill motioned to approve the minutes of the October 22, 2021 meeting. The motion was seconded by Bill Connelly and passed with Clark Alsop abstaining and the rest of the committee members voting yes.*

3. Update of 2022 Legislative Omnibus Proposals

a. 56102

The item began with Joe Serrano providing an update on the proposals that were previously approved. He noted the proposal submitted by Paul Novak and Carolyn Emery for 56375(a)(7) was vetted with the Rural County Representatives of California (RCRC) and the feedback was not positive. As a result of their opposition to the proposal, it was pulled.

Paul Novak presented the revised proposal for changes to 56102.

MOTION: *Bill Connelly motioned to approve this proposal for inclusion in the 2022 Omnibus bill. The motion was seconded by Mike McGill and passed unanimously.*

ACTION: *Joe Serrano will update the Omnibus tracking log and send that log with all three Omnibus proposals and corresponding language to the Assembly Local Government Committee consultant.*

4. Update on 2022 Legislative priorities

Pamela began by reporting the Board did not approve sponsoring a fourth bill in 2022, specifically the proposal to make changes to GCS 56430 as submitted by San Diego LAFCo. CALAFCO does not have the resources to sponsor that many pieces of legislation in a year. She further reported that San Diego LAFCo did not want any part of their proposal included as part of the new 25% threshold process being worked out through the Protest Working Group.

She went on to report that as of now we have been unsuccessful in securing an author for the co-sponsored proposal to make changes to GCS 56133. CALAFCO and San Diego LAFCo Analyst and consultant meet weekly and continue stakeholder outreach and author shopping. It was noted that stakeholder outreach has been met with a great amount of concern and opposition to the proposal.

5. Review of work by the Protest Provisions Rewrite Working Group

a. Review draft of reorganized existing protest language as agreed to by the full Working Group

Pamela began by thanking all the CALAFCO members of the working group including José Henríquez, Steve Lucas, Kai Luoma, Jo MacKenzie, Paul Novak and Holly Whatley. She then presented the draft document noting details in the staff report, including this version received consensus from the full Working Group. She also noted it contains all the suggested changes the committee offered last year as well as all the changes the members of the Working Group gave. She thanked Kai and Holly for the heavy lifting on this document.

MOTION: *Bill Connelly motioned to approve the language as a CALAFCO sponsored piece of legislation in 2022. The motion was seconded by Mike McGill and passed unanimously.*

b. Consideration and approval of the draft proposed process associated with the change in protest threshold from 10% to 25%

Pamela gave the history of how this piece of work developed and the starts and stops of the subcommittee. She explained the subcommittee reached tentative agreement on the conditions and most of the guardrails, as well as most of the proposed process in order to raise the threshold to 25%. She further explained that for the last month she and Kyle Packham of CSDA had been the primary negotiators to resolve outstanding issues and come to closure to move forward, with both using the help of their respective subcommittee members.

With agreement reached on the proposed process yesterday afternoon, it (language to be written) is before the committee today to approve/move forward legislatively or disapprove/send back to the subcommittee for more work. She strongly urged the committee to approve.

Pamela also reported CSDA's leg team will be reviewing the language as well as the consolidation/reorganization of existing protest provisions in early January. CALAFCO received commitment that their staff's recommendation will be to support both.

Feedback was provided and several questions arose. All of the comments were very positive and in support of the changes. There was a question about the applicability of this process to actions other than dissolution, and what about the selection of a successor agency. Responses were that it is designed specifically for dissolution and that existing processes for a successor agency apply. It was noted this proposed process does not comport to consolidation.

Finally there was a question about how to properly introduce this to the greater membership as well as to CSDA's membership and stakeholders so as not to derail the final part of the process

as we are so close. Pamela suggested the documents remain internal at this point and she will request the same of CSDA. Once we hear what their action is, we will move forward.

MOTION: *Mike McGill motioned to approve the proposed process for dissolution with a 25% protest threshold as presented, as a CALAFCO sponsored piece of legislation in 2022. The motion was seconded by Gay Jones and passed unanimously.*

ACTION: *Pamela to continue seeking an author; reach out to Kyle Packham of CSDA to advise of our action and to request his leg team keep these documents internal as well, until after their January meeting decision.*

6. Items for Next Meeting

There were none.

7. Adjournment to January 28, 2022 meeting at 10:00 a.m., location to be determined.

The meeting was adjourned at 11:02 a.m. to the January 28, 2022 meeting to be held virtually.

DRAFT

This page intentionally left blank.

2022 Omnibus Bill Items Tracking Log

| Item No. | Person(s) Responsible | Government Code Section/ Proposed Change(s) | Actions | Status |
|----------|-----------------------------|---|---|-------------------------------------|
| 1 | Steve Lucas & Paul Novak | <p><u>Current:</u> Government Code Section 56102: "...the change of organization or reorganization shall be deemed to be completed and in existence upon the date of execution of the certificate of completion."</p> <p><u>Proposed:</u> Replace "to be completed and in existence" with "take effect" under GCS 56102</p> | Approved as amended by Leg Team on 12/3/21. Sent to ALGC on 12/3/21. | Pending stakeholder review by ALGC. |
| 2 | Paul Novak | <p><u>Current:</u> Government Code Sections 56451 through 57463 and 57463 refer to a "successor agency"; No definition in Chapter 2 (Definitions; 56010 et seq.)</p> <p><u>Proposed:</u> Add Government Code Section 56078.5: "Successor Agency" means the local agency the Commission designates to wind up the affairs of a dissolved district.</p> | Approved as amended by Leg Team on 10/22/21. Sent to ALGC on 12/3/21. | Pending stakeholder review by ALGC. |
| 3 | Kai Luoma | <p><u>Current:</u> Government Code Sections 56653(a), 56654(a), (b), and (c), and 56658(b)(1) and (b)(2) refer to a "proposal"; CKH Act defines the difference between "applications" under GCS 56017.2 and "proposals" under GCS 56069</p> <p><u>Proposed:</u> Replace "proposals" with "applications" within GCS 56653(a), 56654(a), (b), and (c), and 56658(b)(1) and (b)(2)</p> | Approved by Leg Team on 10/22/21. Sent to ALGC on 12/3/21. | Pending stakeholder review by ALGC. |

This page intentionally left blank.

LEGISLATIVE COMMITTEE MEETING STAFF REPORT

January 28, 2022

Agenda Item No. 4 2022 CALAFCO Sponsored Legislation Update

Prepared By: Pamela Miller, Chair

Date: January 28, 2022

RECOMMENDATION

1. Receive and file report.

DISCUSSION

In addition to sponsoring the Omnibus bill, the Board directed other 2022 legislative priorities as finishing up the work of the Protest Working Group and co-sponsoring a proposal with San Diego LAFCo to make changes to GCS 56133 (extension of services) based on the proposal previously approved by this Committee. This report serves as an update to both of those legislative proposals/priorities.

GCS 56133 proposal

At the direction of the Board, CALAFCO began working with San Diego LAFCo as co-sponsors of the extension of service legislative proposal. After putting together a legislative proposal fact sheet and document containing numerous examples demonstrating the problem and why the solution is needed, stakeholder outreach and work to seek a legislator as author began in early October. As anticipated, there was a great deal of concern and questions from various stakeholders, as well as the two local government committee consultants. (Entities included CSDA and several of their members, ACWA, CASA, CSAC, League and ACHD.)

CALAFCO approached four potential legislative authors and San Diego LAFCo approached three, all of whom declined our request to author the legislative proposal. At this point in time, it is clear to CALAFCO that we will be unsuccessful in securing an author for the 2022 year and this has been shared with San Diego LAFCo, as well as the CALAFCO Board. It is still unclear to CALAFCO if San Diego LAFCo will proceed with trying to find an author for the 2022 year and continue to work on mitigating stakeholder concerns.

CALAFCO staff has tabled the proposal for 2022 and discussed the situation with the Board at their January 21, 2022 meeting. Staff recommended the Board discuss this at their April meeting for and give consideration whether or not to co-sponsor the proposal in 2023. Staff also recommended to the Board, and is recommending to the Committee, that should CALAFCO proceed with co-sponsoring in 2023, a comprehensive co-sponsorship strategy needs to be created with San Diego LAFCo to conduct stakeholder outreach throughout this year, to gather stakeholder questions and concerns and have the Committee work through mitigating those concerns before an author is sought for 2023.

Protest provisions working group

The third legislative priority for 2022 as directed by the Board is to complete the work of the protest provision rewrite working group. CALAFCO has had traction with this proposal. As you are aware, in

November, CALAFCO approached CSDA with a request to pick up the work done to date and finish it. CALAFCO's Executive Director and CSDA's Legislative Director worked several weeks on refining the work done by the working group's subcommittee on a new process using a 25% threshold for LAFCo initiated dissolution.

This Committee reviewed both the draft of the reorganized/consolidated existing language and the proposed new process at the December 3, 2021 meeting and unanimously supported both drafts. The CSDA Legislative Committee met on January 6, 2022 and also considered the draft proposals. During their meeting they approved a support in concept position on the proposals.

CALAFCO was successful in securing Senator Hertzberg as the primary author of this legislation and Assemblymember Mayes as the first co-author and we are working on securing additional co-authors. The draft of the reorganized/consolidated existing language has been sent to Leg Counsel and the bill will be introduced within the next several weeks. The new process needs to be written in statutory language and the plan is for CALAFCO and CSDA legal counsel who were a part of the protest working group to develop that draft. These changes will be amended into the bill when they are ready and approved by the working group.

The Executive Director wishes to acknowledge and thank all of the members of this protest provisions rewrite working group for their heavy lifting. Most especially, the CALAFCO members of the group who are: Board member Jo MacKenzie, Counsel Holly Whatley, and Executive Officers Steve Lucas, Kai Luoma, Paul Novak and José Henríquez.

This long-standing priority project for CALAFCO will hopefully be taken over the finish line in 2022 and signed into statute.

ATTACHMENTS

None

LEGISLATIVE COMMITTEE MEETING STAFF REPORT

January 28, 2022

Agenda Item No. 5 Legislation Affecting LAFCo

Prepared By: Pamela Miller, Legislative Committee Chair

Date: January 28, 2022

RECOMMENDATIONS

1. Review and discuss bills that have an impact on LAFCo. No actions are being recommended at this time.

DISCUSSION

The Legislature reconvened on January 3, 2022 for the second year of the two-year legislative cycle. The year started with several legislators announcing their departure mid-term with others announcing they will not seek re-election. The COVID surge continues to impact committee hearings, staff and legislator access/availability and has numerous Senators participating in floor session virtually. A change in Senate leadership was also recently announced with Senator Hertzberg stepping away from the Senate Majority Leader position and Senator McGuire stepping into that role. This means a change in the Chair of the Senate Governance and Finance Committee (SGFC) to replace Senator McGuire as Chair.

Deadlines for 2-year bills are tight and bill amendments and committee hearings are well underway. There's a lot of hot issues competing for the Legislature's attention in addition to COVID, including a large budget surplus, the Governor's draft budget, use of Federal stimulus, and impacts from redistricting, to name a few. There is no doubt 2022 will be another wild legislative ride.

CALAFCO is already involved in discussions on several bills, two of which are noted in this report.

SB 852 (Dodd) was introduced on January 18. This bill creates the Climate Resilience Districts Act. The bill completely bypasses LAFCo in the formation and oversight of these new districts.

This bill does the following:

- Authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects.
- Defines "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified.
- Authorizes a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities.
- Authorizes specified local entities to adopt a resolution to provide property tax increment revenues to the district.
- Authorizes specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements.

- Provides for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. It requires 95% of monies collected to fund eligible projects, and 5% for district administration.
- Requires each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually.

Section 62304 details the formation process, Section 62305 addresses the district's governance structure, and 62307 outlines the powers of the district. There is no mention of district oversight. CALAFCO has a meeting scheduled with the author's office and sponsor to obtain more information and share our initial concerns. This bill is sponsored by the Local Government Commission and is keyed fiscal.

SB 418 (Laird) was gut/amended on January 14, 2022 and amended again as a result of the Assembly Local Government Committee (ALGC) hearing on January 19. Amendments taken in that committee hearing came from both the ALGC and SGFC.

CALAFCO has been in conversations with Monterey and Santa Cruz LAFCo, as well as the Santa Cruz County lobbyist who is working very closely with Senator Laird and his staff.

This bill creates the Pajaro Valley HCD to provide services within Santa Cruz and Monterey Counties. This bill also establishes the territory of the district, specifies the powers and duties of the district, and requires that any future changes of organization to the district are subject to LAFCo law. Lastly, this bill requires the district to be divided into zones for the purposes of electing the Board of Directors. It requires the district to notify Santa Cruz LAFCo when the district, or any other entity, acquires the Watsonville Community Hospital, and requires LAFCo to order the dissolution of the district if the hospital has not been acquired by January 1, 2024. Further, the bill requires the district to notify LAFCo if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility and would require LAFCo to dissolve the district under those circumstances in a streamlined process without protest (using the same process as codified in the Sativa bill *AB 1577, 2018*).

This bill is sponsored by the Pajaro Valley Healthcare District Project and not keyed fiscal.

According to the author, “The Watsonville Community Hospital located in Santa Cruz County is an essential health care provider in the region, serving primarily low-income, under- and uninsured populations of color, and has proved crucial in helping those impacted by COVID-19 throughout the pandemic. Last year, the current owner/operator of the Watsonville Community Hospital announced its intention to file for Chapter 11 bankruptcy protection in early December and close the hospital in January. While the creditor has deferred closure through March 2022, immediate action is required to ensure the vital services and jobs that support the health care safety net remain in Watsonville. “In response to the potential closure, a new not-for-profit organization, Pajaro Valley Healthcare District Project (PVHDP), was created by the County of Santa Cruz, the City of Watsonville, Salud Para La Gente, and the Community Health Trust of the Pajaro Valley, to form a new California healthcare district. The goal of Senate Bill 418 is to create the urgently needed hospital district to ensure the Watsonville Community Hospital remains open. The PVHDP has the first opportunity to acquire the hospital, and this bill will help local partners raise the necessary funds. Without SB 418, local partners face an uphill battle to save the hospital from closure.”

CALAFCO realizes the urgency of the local situation and understands the need to establish the district by special legislation. The sponsor and authors have been working with us and both LAFcos. We jointly made several additional amendment requests, and while none were taken during the January 19 ALGC hearing, Senator Laird is committed to running another bill that contains these amendments:

- Require Santa Cruz LAFCo to adopt a sphere of influence for the district within 1 year of formation;
- Require the district to file annual progress reports to Santa Cruz LAFCo for the first 3 years;
- Require Santa Cruz LAFCo to conduct a special study on the district after 3 years; and
- Require representation from both counties on the governing board.

Given the urgent nature of the situation, the bill has an urgency clause. Further, it is the Senator's goal to keep the bill as light on fiscal requirements as possible so it does not get stuck in Appropriations. Therefore, our additionally requested amendments are not included in SB 418 but will be done in a separate bill.

ATTACHMENTS

5a - SB 852 (Dodd)

5b - SB 418 (Laird) (as amended 1-24-22)

This page intentionally left blank.

Introduced by Senator DoddJanuary 18, 2022

An act to add Division 6 (commencing with Section 62300) of Title 6 to the Government Code, relating to climate resilience districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 852, as introduced, Dodd. Climate resilience districts: formation: funding mechanisms.

Existing law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Existing law provides for the financing of these activities by, among other things, the issuance of bonds serviced by property tax increment revenues, and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities.

This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would define "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified. The bill would authorize a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities. The bill would authorize specified local

entities to adopt a resolution to provide property tax increment revenues to the district. The bill would also authorize specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements. The bill would provide for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. The bill would require each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually. By imposing duties on counties in the administration of tax revenues and elections of a climate resilience district, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Division 6 (commencing with Section 62300) is
2 added to Title 6 of the Government Code, to read:

3

4 DIVISION 6. CLIMATE RESILIENCE DISTRICTS

5

6 62300. This division shall be known, and may be cited, as the
7 Climate Resilience Districts Act.

8 62301. It is the intent of Legislature in enacting this division
9 to provide the ability for local governments to create districts for
10 the purpose of addressing climate change effects and impacts
11 through activities and actions that include mitigation and
12 adaptation, as necessary and appropriate, to achieve all of the
13 following:

14 (a) Providing a sustained and certain level and source of funding
15 at the local level.

1 (b) Allowing activities and actions on an appropriate geographic
2 basis.

3 (c) Facilitating the receipt and use of federal, state, local, and
4 private funds.

5 62302. For purposes of this division:

6 (a) “District” means a climate resilience district formed pursuant
7 to this division.

8 (b) “Eligible project” means a capital project that is designed
9 and implemented to address climate change mitigation or
10 adaptation, including, but not limited to, all of the following:

11 (1) A project that addresses river, bay, or sea level rise, including
12 sea walls, wetlands restoration, erosion control, and levies.

13 (2) A project that addresses extreme heat, including constructing,
14 improving, or modifying new or existing facilities.

15 (3) A project that addresses extreme cold, rain, or snow,
16 including constructing, improving, or modifying new or existing
17 facilities.

18 (4) A project that addresses the risk of wildfire, including
19 establishing fire breaks, prescribed burning, structure hardening,
20 and vegetation control.

21 (5) A project that addresses drought, including multiuse land
22 repurposing, groundwater replenishment, groundwater storage,
23 and conjunctive use.

24 (6) A project that addresses the risk of flooding, including
25 structure elevation or relocation, wetlands restoration, flood
26 easements, and levees.

27 (c) “Participating entity” means a city, county, or special district
28 within a climate resilience district that adopts a resolution directing
29 the county auditor or auditor-controller to allocate its share of
30 property tax increment within the area covered by the district to
31 the district pursuant to Section 62306.

32 (d) “Property tax increment” means that portion of the ad
33 valorem taxes, as defined under subdivision (a) of Section 1 of
34 Article XIII A of the California Constitution, excluding any ad
35 valorem taxes or assessments levied pursuant to subdivision (b)
36 of Section 1 of Article XIII A of the California Constitution, levied
37 each year in excess of the amount levied by or for a taxing agency
38 upon the total sum of the assessed value of the taxable property in
39 the boundaries of a district as defined in the resolution first
40 establishing the district, as shown upon the assessment roll used

1 in connection with the taxation of that property by the taxing
2 agency as of the last equalized roll prior to either the effective date
3 of the authorizing resolution or, if specified in the authorizing
4 resolution, another fiscal year no more than five years prior to the
5 effective date of the authorizing resolution.

6 62303. (a) (1) A city, county, city and county, special district,
7 or a combination of any of those entities may form a climate
8 resilience district pursuant to this division.

9 (2) The boundaries of the district shall be one of the following:

10 (A) Coterminous with the county, city, or special district forming
11 the district.

12 (B) Within a city or a county forming the district.

13 (C) Across two or more counties, cities, or special districts that
14 are forming the district.

15 (b) (1) A district shall be formed for the purpose of raising and
16 allocating funding for eligible projects and the operating expenses
17 of eligible projects.

18 (2) Operating expenses may include any of the following:

19 (A) The expenses of operating the district.

20 (B) The planning of eligible projects.

21 (C) The operational expenses of any eligible project.

22 (c) A district shall be deemed to be an “agency” described in
23 subdivision (b) of Section 16 of Article XVI of the California
24 Constitution only for purposes of receiving property tax increment
25 revenues.

26 62304. Proceedings for the establishment of a district shall be
27 instituted by the adoption of a resolution of intention to establish
28 the proposed district and shall do all of the following:

29 (a) State that a district is proposed to be established pursuant to
30 this division and describe the boundaries of the proposed district,
31 which may be accomplished by reference to a map on file in the
32 office of the clerk of the city or in the office of the recorder of the
33 county, as applicable.

34 (b) State the type of eligible projects proposed to be financed
35 or assisted by the district.

36 (c) State the need for the district and the goals the district
37 proposes to achieve.

38 (d) (1) State that any property tax increment revenue from some
39 or all affected taxing entities within the district, if approved by

1 resolution pursuant to Section 62306, may be used to finance these
2 activities.

3 (2) The city, county, city and county, or special district shall
4 not enact a resolution proposing formation of a district and
5 providing for the division of taxes of any participating entity unless
6 a resolution approving the plan has been adopted by the governing
7 body of each participating entity pursuant to Section 62306, which
8 is proposed to be subject to division of taxes and has been filed
9 with the legislative body at or prior to the time of the hearing.

10 62305. (a) A district shall have a membership consisting of
11 one of the following, as appropriate:

12 (1) If a district has only one participating entity the district shall
13 consist of three members of the legislative body of the participating
14 entity, and two members of the public chosen by the legislative
15 body. The legislative body may appoint one of its members to be
16 an alternate member of the legislative body, who may serve and
17 vote in place of a member who is absent or disqualifies themselves
18 from participating in a meeting of the district. The appointment of
19 the public members shall be subject to the provisions of Sections
20 54970 and 54972.

21 (2) If a district has two or more participating entities the district
22 shall consist of a majority of members from the legislative bodies
23 of the participating entities, and a minimum of two members of
24 the public chosen by the legislative bodies of the participating
25 entities. A legislative body of a participating entity may appoint
26 one of its members to be an alternate member of the legislative
27 body, who may serve and vote in place of a member who is absent
28 or disqualifies themselves from participating in a meeting of the
29 district. The appointment of the public members shall be subject
30 to the provisions of Sections 54970 and 54972.

31 (3) If a district has more than three participating entities, the
32 legislative bodies of the entities may, upon agreement by all
33 participating entities, appoint only one member and one alternate
34 member of their respective legislative bodies to the district and a
35 minimum of two members of the public chosen by the legislative
36 bodies of the participating entities. The appointment of the public
37 members shall be subject to the provisions of Sections 54970 and
38 54972.

1 (b) The legislative body shall ensure the district board is
2 established at the same time that it adopts a resolution of intention
3 pursuant to Section 62304.

4 (c) Board members of the district established pursuant to this
5 division shall not receive compensation but may receive
6 reimbursement for actual and necessary expenses incurred in the
7 performance of official duties pursuant to Article 2.3 (commencing
8 with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title
9 5.

10 (d) Board members of the district are subject to Article 2.4
11 (commencing with Section 53234) of Chapter 2 of Part 1 of
12 Division 2 of Title 5.

13 (e) Notwithstanding any other law, any member of the legislative
14 body of a participating entity who serves as a member of the district
15 board pursuant to this section may also serve as a member of the
16 governing body of an agency or entity formed pursuant to an
17 agreement for the joint exercise of power that the participating
18 entity has entered into in accordance with the Joint Exercise of
19 Powers Act (Chapter 5 (commencing with Section 6500) of
20 Division 7 of Title 1).

21 62306. (a) (1) At any time before or after adoption of the
22 resolution establishing the district pursuant to Section 62304, any
23 city, county, or special district, other than a school entity as defined
24 in subdivision (n) of Section 95 of the Revenue and Taxation Code,
25 or a successor agency as defined in subdivision (j) of Section 34171
26 of the Health and Safety Code, that receives ad valorem property
27 taxes from property located within an area may adopt a resolution
28 directing the county auditor or auditor-controller to allocate its
29 share of property tax increment within the area covered by the
30 district to the district. The resolution adopted pursuant to this
31 subdivision may direct the county auditor or auditor-controller to
32 allocate less than the full amount of the property tax increment,
33 and to establish a maximum amount of time in years that the
34 allocation takes place. These amounts shall be allocated to the
35 district and, when collected, shall be held in a separate fund by the
36 district. Before adopting a resolution pursuant to this subdivision,
37 a city, county, or special district shall approve a memorandum of
38 understanding with the district governing the use of property tax
39 increment funds by the district for administrative and overhead
40 expenses.

1 (2) The provision for the receipt of property tax increment shall
2 become effective in the property tax year that begins after the
3 December 1 immediately following the adoption of a resolution
4 pursuant paragraph (1). A resolution adopted pursuant to paragraph
5 (1) shall be provided to the county auditor or auditor-controller no
6 later than the December 1 immediately following its adoption.

7 (3) A resolution adopted pursuant to this subdivision may be
8 repealed and be of no further effect beginning in the fiscal year
9 following the adoption of any repeal, by giving the county auditor
10 or auditor-controller at least 90 days' notice prior to the end of the
11 current fiscal year, provided, however, that the county auditor or
12 auditor-controller shall continue to allocate the participating
13 entity's share of ad valorem property taxes that have been pledged
14 to the repayment of debt issued by the district to the district until
15 that debt has been fully repaid, including by means of a refinancing
16 or refunding, unless otherwise agreed upon by the district and the
17 participating entity. For purposes of determining the annual amount
18 of a participating entity's share of ad valorem property taxes that
19 shall continue to be allocated to a district following a repeal, the
20 annual amount allocated for all years until the debt has been fully
21 repaid shall be the maximum amount required to service the debt
22 for any single annual period as provided in the district's debt
23 service schedule.

24 (4) When the loans, advances, and indebtedness of a district, if
25 any, and interest thereon, have been paid, or the maximum amount
26 of time in years has passed in accordance with a resolution adopted
27 pursuant to this subdivision, all funds thereafter received from
28 taxes upon the taxable property in the district's boundaries shall
29 be paid into the funds of the respective taxing agencies as taxes
30 on all other property are paid.

31 (5) All of the taxes levied and collected upon the taxable
32 property in the boundaries of the district shall be paid into the
33 funds of the respective taxing agencies as though the district had
34 not been created unless the total assessed valuation of the taxable
35 property in the boundaries of a district exceeds the total assessed
36 value of the taxable property in the boundaries as shown by the
37 last equalized assessment roll.

38 (b) (1) At any time before or after the adoption of the resolution
39 establishing the district pursuant to Section 62304, a city, county,
40 or special district, other than a school entity as defined in

1 subdivision (n) of Section 95 of the Revenue and Taxation Code
2 or a successor agency as defined in subdivision (j) of Section 34171
3 of the Health and Safety Code, may adopt a resolution to allocate
4 tax revenues of that entity to the district, including revenues derived
5 from local sales and use taxes imposed pursuant to the
6 Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5
7 (commencing with Section 7200) of Division 2 of the Revenue
8 and Taxation Code) or transactions and use taxes imposed pursuant
9 to the Transactions and Use Tax Law (Part 1.6 (commencing with
10 Section 7251) of Division 2 of the Revenue and Taxation Code),
11 provided that both of the following apply:

12 (A) The use of those revenues by the district for purposes of
13 this division is consistent with the purposes for which that tax was
14 imposed.

15 (B) The boundaries of the district are coterminous with the city
16 or county that established the district.

17 (2) A resolution adopted pursuant to this subdivision may be
18 repealed and be of no further effect, provided, however, that the
19 tax revenues allocated to the district that have been pledged to the
20 repayment of debt issued by the district shall continue to be so
21 allocated until that debt has been fully repaid, including by means
22 of a refinancing or refunding, unless otherwise agreed upon by the
23 district and the participating entity.

24 (c) A minimum of 95 percent of the allocated property tax
25 increment revenues pursuant to subdivision (a), and allocated tax
26 revenues pursuant to subdivision (b), shall be used to fund eligible
27 projects and the operating expenses of eligible projects. Not more
28 than 5 percent of allocated revenues may be used for
29 administration.

30 62307. A district has, and may exercise, all powers, expressed
31 or implied, that are necessary to carry out the intent and purposes
32 of this division, including, but not limited to, the power to do all
33 of the following:

34 (a) (1) Levy a benefit assessment, special tax levied pursuant
35 to Article 3.5 (commencing with Section 50075) of Chapter 1 of
36 Part 1 of Division 1 of Title 5, or property-related fee or other
37 service charge or fee consistent with the requirements of Articles
38 XIII A, XIII C, and XIII D of the California Constitution,
39 including, but not limited to, a benefit assessment levied pursuant
40 to paragraph (2).

- 1 (2) The district may levy a benefit assessment for any of the
2 purposes authorized by this division pursuant to any of the
3 following:
- 4 (A) The Improvement Act of 1911 (Division 7 (commencing
5 with Section 5000) of the Streets and Highways Code).
 - 6 (B) The Improvement Bond Act of 1915 (Division 10
7 (commencing with Section 8500) of the Streets and Highways
8 Code).
 - 9 (C) The Municipal Improvement Act of 1913 (Division 12
10 (commencing with Section 10000) of the Streets and Highways
11 Code).
 - 12 (D) The Landscaping and Lighting Act of 1972 (Part 2
13 (commencing with Section 22500) of Division 15 of the Streets
14 and Highways Code), notwithstanding Section 22501 of the Streets
15 and Highways Code.
 - 16 (E) Any other statutory authorization.
- 17 (b) Apply for and receive grants from federal and state agencies.
 - 18 (c) Solicit and accept gifts, fees, grants, and allocations from
19 public and private entities.
 - 20 (d) Issue revenue bonds for any of the purposes authorized by
21 this division pursuant to the Revenue Bond Law of 1941 (Chapter
22 6 (commencing with Section 54300) of Part 1 of Division 2 of
23 Title 5), subject to any applicable constitutional requirements.
 - 24 (e) Incur general obligation bonded indebtedness for the
25 acquisition or improvement of real property or for funding or
26 refunding of any outstanding indebtedness, subject to any
27 applicable constitutional requirements.
 - 28 (f) Receive and manage a dedicated revenue source.
 - 29 (g) Deposit or invest moneys of the district in banks or financial
30 institutions in the state in accordance with state law.
 - 31 (h) Sue and be sued, except as otherwise provided by law, in
32 all actions and proceedings, in all courts and tribunals of competent
33 jurisdiction.
 - 34 (i) Engage counsel and other professional services.
 - 35 (j) Enter into and perform all necessary contracts.
 - 36 (k) Enter into joint powers agreements pursuant to the Joint
37 Exercise of Powers Act (Chapter 5 (commencing with Section
38 6500) of Division 7 of Title 1).
 - 39 (l) Hire staff, define their qualifications and duties, and provide
40 a schedule of compensation for the performance of their duties.

1 (m) Use interim or temporary staff provided by local agencies
2 that are a members of the district. A person who performs duties
3 as interim or temporary staff shall not be considered an employee
4 of the district.

5 62308. (a) If a district proposes a measure that will generate
6 revenues for the district that requires voter approval pursuant to
7 the California Constitution, the board of supervisors of the county
8 or counties in which the district has determined to place the
9 measure on the ballot shall call a special election on the measure.
10 The special election shall be consolidated with the next regularly
11 scheduled statewide election and the measure shall be submitted
12 to the voters in the appropriate counties, consistent with the
13 requirements of Articles XIII A, XIII C, and XIII, or Article XVI
14 of, the California Constitution, as applicable.

15 (b) A district shall be deemed a district for purposes of Section
16 317 of the Elections Code. A measure proposed by a district that
17 requires voter approval shall be submitted to the voters of within
18 the boundaries of the district in accordance with the provisions of
19 the Elections Code applicable to districts, including the provisions
20 of Chapter 4 (commencing with Section 9300) of Division 9 of
21 the Elections Code.

22 (c) The district shall file with the board of supervisors of each
23 county in which the measure shall appear on the ballot a resolution
24 of the district requesting consolidation, and setting forth the exact
25 form of the ballot question, in accordance with Section 10403 of
26 the Elections Code.

27 (d) The legal counsel for the district shall prepare an impartial
28 analysis of the measure. The impartial analysis prepared by the
29 legal counsel for the district shall be subject to review and revision
30 by the county counsel of the county that contains the largest
31 population, as determined by the most recent federal decennial
32 census, among those counties in which the measure will be
33 submitted to the voters.

34 (e) Each county included in the measure shall use the exact
35 ballot question, impartial analysis, and ballot language provided
36 by the district. If two or more counties included in the measure
37 are required to prepare a translation of ballot materials into the
38 same language other than English, the county that contains the
39 largest population, as determined by the most recent federal
40 decennial census, among those counties that are required to prepare

1 a translation of ballot materials into the same language other than
2 English shall prepare the translation and that translation shall be
3 used by the other county or counties, as applicable.

4 (f) Notwithstanding Section 13116 of the Elections Code, if a
5 measure proposed by a district pursuant to this division is submitted
6 to the voters of the district in two or more counties, the elections
7 officials of those counties shall mutually agree to use the same
8 letter designation for the measure.

9 (g) The county clerk of each county shall report the results of
10 the special election to the authority. If two-thirds of all voters
11 voting on the question at the special election vote affirmatively,
12 or a different approval threshold required by the California
13 Constitution at the time the election is achieved, the measure shall
14 take effect in the counties in which the measure appeared on the
15 ballot within the timeframe specified in the measure.

16 (h) The county clerk of each county shall report the results of
17 the special election to the district.

18 62309. (a) Each district shall prepare an annual expenditure
19 plan that identifies and describes the operations and eligible
20 projects undertaken by the district. The expenditure plan shall be,
21 after public review and hearing, adopted by the governing body
22 of the district and subject to review and revision at least annually.

23 (b) Each district shall also prepare and adopt an annual operating
24 budget and capital improvement budget. The annual operating
25 budget and capital improvement budget shall be, after public review
26 and hearing, adopted by the governing body of the district and
27 subject to review and revision at least annually.

28 62310. (a) A district shall provide for regular audits of its
29 accounts and records, maintain accounting records, and report
30 accounting transactions in accordance with generally accepted
31 accounting principles adopted by the Governmental Accounting
32 Standards Board of the Financial Accounting Foundation for both
33 public reporting purposes and for reporting of activities to the
34 Controller.

35 (b) A district shall provide for annual financial reports and make
36 copies of the annual financial reports available to the public.

37 (c) Commencing in the calendar year in which a district has
38 allocated a cumulative total of more than one million dollars
39 (\$1,000,000) in property tax increment revenues under this division
40 or other revenues pursuant to subdivision (b) of Section 62253,

1 including any proceeds of a debt issuance, and each year thereafter,
2 the district shall contract for an independent audit conducted in
3 accordance with generally accepted governmental auditing
4 standards.

5 62311. (a) All meetings of the district shall be subject to the
6 Ralph M. Brown Act (Chapter 9 (commencing with Section 54950)
7 of Part 1 of Division 2 of Title 5.)

8 (b) All records prepared, owned, used, or retained by the district
9 are public records for purposes of the California Public Records
10 Act (Division 10 (commencing with Section 7920.000) of Title
11 1.)

12 SEC. 2. The Legislature finds and declares that the allocation
13 of revenues derived from a sales and use tax or a transactions and
14 use tax to climate resilience district pursuant to Division 6
15 (commencing with Section 62300) of Title 6 to the Government
16 Code, as added by this act, is not subject to Section 29 of Article
17 XIII of the California Constitution because a district is not a city,
18 county, or city and county within the meaning of that provision,
19 but is rather a separate political entity as described in subdivision
20 (c) of Section 62303 of the Government Code, as added by this
21 act.

22 SEC. 3. If the Commission on State Mandates determines that
23 this act contains costs mandated by the state, reimbursement to
24 local agencies and school districts for those costs shall be made
25 pursuant to Part 7 (commencing with Section 17500) of Division
26 4 of Title 2 of the Government Code.

O

AMENDED IN ASSEMBLY JANUARY 24, 2022

AMENDED IN ASSEMBLY JANUARY 14, 2022

AMENDED IN SENATE MARCH 17, 2021

SENATE BILL

No. 418

**Introduced by Senator Laird
(Coauthor: Senator Caballero)**

(Coauthors: Assembly Members Robert Rivas and Stone)

February 12, 2021

An act to add Chapter 9 (commencing with Section 32498.5) to Division 23 of the Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 418, as amended, Laird. Pajaro Valley Health Care District.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization of cities and districts by local agency formation commissions.

This bill would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors.

The bill would require, within 5 years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors to divide the district into zones and number the zones consecutively. The bill would require that, after formation, the

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 govern any organizational changes for the Pajaro Valley Health Care District. *The bill would require the district to notify the County of Santa Cruz local agency formation commission (LAFCO) when the district, or any other entity, acquires the Watsonville Community Hospital. The bill would require the LAFCO to order the dissolution of the district if the hospital has not been acquired by January 1, 2024. The bill would require the district to notify the LAFCO if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility, and would require the LAFCO to dissolve the district under those circumstances, as specified.*

This bill would make legislative findings and declarations as to the necessity of a special statute for the creation of the Pajaro Valley Health Care District within the Counties of Santa Cruz and Monterey.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Watsonville Community Hospital is a 106-bed hospital
4 located in the Pajaro Valley, which straddles southern County of
5 Santa Cruz and northern County of Monterey on ~~California's~~
6 *California's* central coast. The hospital provides important acute
7 care and emergency services in a culturally diverse community
8 where the nearest alternative hospital can be up to an hour away
9 during regularly congested commutes.

10 (b) Watsonville Community Hospital employs 620 people and
11 has a medical staff of over 200 physicians. It provides a range of
12 quality medical services, including pediatrics, obstetrics and
13 gynecology, internal medicine, family medicine, anesthesiology,
14 wound care, gastroenterology, orthopedics, cardiovascular disease,
15 dermatology, and more. In 2020, the hospital delivered more babies
16 than any other hospital in the County of Santa Cruz. Serving a
17 significant immigrant population, the hospital provides care to
18 those without English language proficiency in their preferred
19 language.

1 (c) The community of Watsonville has historically faced many
2 health and economic disparities. The pandemic has resulted in the
3 loss of employment and school closures, and has caused
4 nonessential workers and at-risk populations to stay home.
5 Overcrowded and substandard housing conditions, food insecurity,
6 lack of transportation, and the high cost of housing have intensified
7 disparities overnight. The Pajaro Valley saw dramatic and
8 disproportionate rates of COVID-19 infections, hospitalizations,
9 and death as compared to the rest of the County of Santa Cruz.

10 (d) Over the last 21 years of for-profit ownership, the hospital
11 administration has changed 20 times. Due to this history, partners
12 of the Pajaro Valley Healthcare District Project all believe
13 community ownership will provide more consistent management,
14 oversight, and stability for the patients, staff, and community.
15 Public ownership through a local hospital district also creates
16 financing and funding opportunities not otherwise available to a
17 for-profit or nonprofit entity.

18 (e) Originally incorporated in 1902 as a privately owned
19 for-profit entity, the Watsonville Community Hospital board of
20 directors voted in 1950 to reorganize to nonprofit status. This
21 allowed a bond sale and access to federal and state grants for
22 construction of a new hospital, which opened in 1969. That facility
23 was seriously damaged in the 1989 Loma Prieta earthquake. With
24 funding from the Federal Emergency Management Agency, the
25 current facility, which replaced the 1969 facility and opened in
26 1998, is sufficient to keep pace with the growing needs of the
27 community. In 1998, the previously not-for-profit hospital was
28 sold to a for-profit company, Community Health Systems (CHS).
29 The proceeds of the sale were contributed to a community trust,
30 the Community Health Trust of Pajaro Valley. This trust also held
31 a right of first refusal if CHS were to decide to sell the hospital.

32 (f) In 2015, Community Health Systems reorganized and formed
33 a new subsidiary, Quorum Health Resources, consisting of its small
34 hospitals. Facing financial difficulties, Quorum decided to sell
35 Watsonville Community Hospital in 2019, and the Community
36 Health Trust of Pajaro Valley had the option to acquire the hospital.
37 However, at that ~~time~~ *time*, the Community Health Trust of Pajaro
38 Valley decided not to purchase the hospital, and it was sold to a
39 company called Halsen Healthcare and the hospital operated under
40 a corporation named Watsonville Hospital Corporation (WHC).

1 The real estate for the hospital was purchased by a subsidiary of
2 Medical Properties Trust (MPT), a real estate investment trust,
3 and then leased back to WHC.

4 (g) In January 2021, MPT, after declaring numerous events of
5 default, exercised its stock pledge and replaced the
6 Halsen-appointed board of directors with a new independent board
7 of directors, and the new board designated Prospect Medical
8 Holdings as the new hospital manager. However, this change in
9 management did not solve the hospital’s liquidity crisis. To remain
10 in operation, the hospital has had to borrow millions of dollars to
11 address operating losses and the hospital remains in default on its
12 operating loan from another subsidiary of MPT regarding the real
13 property of the hospital.

14 (h) In 2020 and 2021, during the COVID-19 epidemic, with
15 rising costs of labor and supplies, the hospital experienced
16 significant financial losses. As of August 2021, WHC had a
17 year-to-date cashflow shortfall of over \$17,000,000. It also fell
18 into arrears in its obligations to suppliers, employees, and lenders.

19 (i) Watsonville Community Hospital has been essential in
20 serving its community’s primarily low-income, underinsured, and
21 uninsured populations of color for over a century and proved
22 crucial in serving those disproportionately impacted by COVID-19
23 throughout the pandemic. This is evidenced by 43 percent of the
24 hospital’s gross revenue coming from the Medi-Cal program and
25 an additional 30 percent of its gross revenue coming from the
26 Medicare Program, serving the aged and disabled.

27 (j) The Pajaro Valley Healthcare District Project (PVHDP), a
28 nonprofit organization, was created by the County of Santa Cruz,
29 the City of Watsonville, Salud Para La Gente, and the Community
30 Health Trust of Pajaro Valley, for the purpose of forming a new
31 California health care district. For several years, the partners of
32 PVHDP have been concerned about the continuance of operations
33 and the financial viability of Watsonville Community Hospital,
34 and have been working together to explore the possibility of
35 community ownership.

36 (k) PVHDP has initiated a process to establish and capitalize a
37 local health care district to purchase the hospital on behalf of the
38 community through the Chapter 11 bankruptcy/restructuring
39 process commenced by WHC, to prevent the hospital’s closure
40 and loss of critical community services. With strong community

1 and stakeholder support, the PVHDP partners are well positioned
2 to engage the Legislature, the Governor, and private funders. In
3 addition, WHC and PVHDP intend to seek emergency funding
4 from public and private entities to support the short-term operating
5 capital needs of the hospital and eventual acquisition of the
6 hospital.

7 (l) If PVHDP cannot raise sufficient funds to acquire and operate
8 the hospital, WHC intends to close the hospital and liquidate the
9 assets. For this reason, PVHDP believes it is critical to the health
10 and welfare of the community that it will be able to keep this
11 important hospital open under the stewardship of the community,
12 rather than under another for-profit operator. To do this, it is
13 imperative that emergency funding and urgency legislation be
14 considered immediately in the 2021–22 legislative session.

15 (m) It is necessary to permit the formation of the Pajaro Valley
16 Health Care District for the above-described purposes.

17 SEC. 2. Chapter 9 (commencing with Section 32498.5) is added
18 to Division 23 of the Health and Safety Code, to read:

19

20

CHAPTER 9. PAJARO VALLEY HEALTH CARE DISTRICT

21

22 32498.5. (a) A local hospital district designated as the Pajaro
23 Valley Health Care District is hereby formed within the Counties
24 of Santa Cruz and Monterey. The Pajaro Valley Health Care
25 District may be organized, incorporated, and managed as provided
26 in this division, and may exercise the powers granted or necessarily
27 implied by this division, only if the relevant county board of
28 supervisors chooses to appoint an initial board of directors, as
29 described in Section 32100. All other provisions of this division
30 apply to the Pajaro Valley Health Care District, except as provided
31 in this chapter.

32 (b) The territory of the district shall be the following area:
33 Situated in the Counties of Santa Cruz and Monterey, State of
34 California; being all the lands within the boundary of the Pajaro
35 Valley Unified School District, excepting the lands to the north
36 and west of the following described line: beginning at a point on
37 the edge of the Pacific Ocean at the intersection with the projected
38 centerline of Aptos Beach Drive; thence along said projected
39 centerline to the intersection of the centerline of Aptos Beach Drive
40 and the centerline of Rio Del Mar Boulevard; thence along the

1 centerline of Rio Del Mar Boulevard in a northeasterly direction
 2 to the intersection of the centerline of Rio Del Mar Boulevard and
 3 the centerline of Bonita Drive; thence along the centerline of Bonita
 4 Drive in a westerly direction to the intersection of the centerline
 5 of Bonita Drive and the centerline of Freedom Boulevard; thence
 6 along the centerline of Freedom Boulevard in a northerly and
 7 easterly direction to the intersection of the centerline of Freedom
 8 Boulevard and the centerline of Hames Road; thence along the
 9 centerline of Hames Road in an easterly direction to the end of the
 10 centerline of Hames Road and the beginning of the centerline of
 11 Browns Valley Road; thence along the centerline of Browns Valley
 12 Road in a northerly and easterly direction to the end of the
 13 centerline of Browns Valley Road and the beginning of the
 14 centerline of Hazel Dell Road; thence along the centerline of Hazel
 15 Dell Road in an easterly and southerly direction to the intersection
 16 of the centerline of Hazel Dell Road and the centerline of Mount
 17 Madonna Road; thence along the centerline of Mount Madonna
 18 Road in a southerly direction to the intersection of the centerline
 19 of Mount Madonna Road and the centerline of Gaffey Road; thence
 20 along the centerline of Gaffey Road 1300 feet, more or less, in an
 21 easterly direction to a point on the centerline of Gaffey Road;
 22 thence leaving the centerline of Gaffey Road 90 feet, more or less,
 23 in a northeasterly direction to a point on the Santa Cruz County
 24 line.

25 (c) Following the formation of the district, the
 26 Cortese-Knox-Hertzberg Local Government Reorganization Act
 27 of 2000 (Division 3 (commencing with Section 56000) of Title 5
 28 of the Government Code) governs any change of organization.

29 32498.6. (a) Notwithstanding any other law, within five years
 30 of the date of the first meeting of the Board of Directors of the
 31 Pajaro Valley Health Care District, the board of directors shall
 32 adopt a resolution to divide the district into zones and number the
 33 zones consecutively.

34 (b) In establishing these zones, the board of directors shall
 35 provide for representation in accordance with demographic and
 36 geographic factors of the entire area of the district, including
 37 population factors. The board of directors shall fix the time and
 38 place for a hearing on the proposed establishment of zones. At this
 39 hearing, any elector of the district may present their views and
 40 plans in relation to the proposed zoning, but the board of directors

1 shall not be bound thereby and their decision, in the resolution
2 adopted, shall be final.

3 (c) The zones shall be effective for the next district election
4 after the resolution of the board of directors for which there is time
5 to implement the zones and elections within the zones.

6 32498.7. (a) *The district shall notify the County of Santa Cruz*
7 *local agency formation commission (LAFCO) of when the district,*
8 *or any other entity, acquires the Watsonville Community Hospital.*

9 (b) *If the district does not acquire the Watsonville Community*
10 *Hospital through the bankruptcy proceeding pursuant to Chapter*
11 *11 (commencing with Section 1101) of Title 11 of the United States*
12 *Code by January 1, 2024, the LAFCO shall order the dissolution*
13 *of the district.*

14 32498.8. (a) *The district shall notify the Santa Cruz County*
15 *local agency formation commission if the district sells the*
16 *Watsonville Community Hospital to another entity or stops*
17 *providing health care services at the facility.*

18 (b) *If the commission receives notification subject to subdivision*
19 *(a), it shall order the dissolution of the district.*

20 (c) *The dissolution of the district pursuant to this section is not*
21 *subject to any of the following:*

22 (1) *Chapter 1 (commencing with Section 57000) to Chapter 7*
23 *(commencing with Section 57176), inclusive, of Part 4 of Division*
24 *3 of Title 5 of the Government Code.*

25 (2) *Determinations pursuant to subdivision (b) of Section 56881*
26 *of the Government Code.*

27 (3) *Requirements for commission-initiated changes of*
28 *organization described in paragraph (3) of subdivision (a) of*
29 *Section 56375 of the Government Code.*

30 (4) *Sections 99 and 99.01 of the Revenue and Taxation Code.*

31 SEC. 3. The Legislature finds and declares that a special statute
32 is necessary and that a general statute cannot be made applicable
33 within the meaning of Section 16 of Article IV of the California
34 Constitution because of the unique circumstances surrounding the
35 operation of the Watsonville Community Hospital. .

36 SEC. 4. This act is an urgency statute necessary for the
37 immediate preservation of the public peace, health, or safety within
38 the meaning of Article IV of the California Constitution and shall
39 go into immediate effect. The facts constituting the necessity are:

1 The imminent financial collapse of the Watsonville Community
2 Hospital is a serious threat to the public health and safety of the
3 residents of the region, as it is one of two hospitals serving the
4 County of Santa Cruz and the only hospital serving the City of
5 Watsonville and surrounding area. An urgency statute to form a
6 local health care district is necessary to allow local officials the
7 opportunity to purchase the Watsonville Community Hospital and
8 ensure the continuance of hospital operations at the earliest possible
9 time.

O

LEGISLATIVE COMMITTEE MEETING STAFF REPORT

January 28, 2022

Agenda Item No. 6 Other CALAFCO Tracked Legislation Affecting LAFCo

Prepared By: Pamela Miller, Legislative Committee Chair

Date: January 28, 2022

RECOMMENDATION

1. Receive and file the report.

DISCUSSION

Of the two-year bills carried over from 2021 that CALAFCO was tracking, six died due to deadlines and have been removed from our tracking log. They are:

- **AB 11** (Ward) – Regional climate change authorities (the content of this bill was merged with AB 897 (Mullin) on Regional climate networks)
- **SB 55** (Stern) – Development prohibition in very high fire hazard severity zones
- **SB 96** (Dahle) – Fallen Leaf Lake CSD (while this bill is dead, the sponsors recently contracted CALAFCO and El Dorado LAFCo in an attempt to re-open dialogue on other possible solutions and we have not yet engaged)
- **SB 261** (Allen) – Regional transportation plans in sustainable communities strategies
- **SB 475** (Cortese) – Transportation planning in sustainable communities strategies
- **SB 499** (Leyva) – Land use element requirements in General Plans

The two bills noted in agenda item 5 (**SB 852** and **SB 418**) have been added to the tracking list.

AB 903 (Frazier) (Los Medanos Healthcare District) was carried over to 2022 as a two-year bill. However, as Assemblymember Frazier is no longer in the Assembly, it is likely the bill will die. Additionally, the appellate court ruled in favor of Contra Costa LAFCo, so unless the district files an appeal to the CA Supreme Court and the court decides to hear the appeal and overrules the appellate court's decision, the district will be dissolved pursuant to that LAFCo's initial decision.

ATTACHMENTS

6a – CALAFCO Tracked bills report as of 1-23-22

This page intentionally left blank.

CALAFCO Daily Legislative Report as of Sunday, January 23, 2022

1

AB 703 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Amended: 4/29/2021 [html](#) [pdf](#)

Introduced: 2/16/2021

Last Amended: 4/29/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/25/2021)
(May be acted upon Jan 2021)

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

Summary:

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act’s requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction.

Position: Watch

Subject: Brown Act

CALAFCO Comments: As amended on 4/29/21, the bill requires local agencies to allow for public participation during meetings of the legislative body both at in-person and via a call-in or internet-based option. It further requires that if the agency holds a teleconference meeting, at least a quorum of the governing body shall participate in person from a single location which shall be open to the public (and located within the boundaries of the jurisdiction).

Despite these requirements, the bill is not marked fiscal. Further, it applies only to local agencies, not state agencies.

The bill is sponsored by Three Valleys Municipal Water Agency.

AB 1195 (Garcia, Cristina D) Drinking water.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/24/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 6/9/2021)(May be acted upon Jan 2022)

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

Summary:

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

Attachments:

[CALAFCO Letter of Concern - April 2021](#)

[AB 1195 Fact Sheet](#)

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

THIS IS NOW A 2-YEAR BILL.

SB 852 (Dodd D) Climate resilience districts: formation: funding mechanisms.

Current Text: Introduced: 1/18/2022 [html](#) [pdf](#)

Introduced: 1/18/2022

Status: 1/19/2022-From printer. May be acted upon on or after February 18.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Existing law provides for the financing of these activities by, among other things, the issuance of bonds serviced by property tax increment revenues, and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities. This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would define "eligible project" for these purposes.

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: This bill creates the Climate Resilience Districts Act. The bill completely bypasses

LAFCo in the formation and oversight of these new districts.

It authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill defines "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified. The bill authorizes a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities. The bill also authorizes specified local entities to adopt a resolution to provide property tax increment revenues to the district. The bill would also authorize specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements. The bill would provide for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. It requires 95% of monies collected to fund eligible projects, and 5% for district administration. The bill would require each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually.

Section 62304 details the formation process, Section 62305 addresses the district's governance structure, and 62307 outlines the powers of the district.

There is no mention of district oversight. CALAFCO has a meeting scheduled with the author's office and sponsor to obtain more information and share our initial concerns.

This bill is sponsored by the Local Government Commission and is keyed fiscal.

3

AB 897 (Mullin D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Amended: 7/14/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 7/14/2021

Status: 8/27/2021-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/16/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

Attachments:

[CALAFCO Support July 2021](#)

[AB 897 Fact Sheet](#)

Position: Support

Subject: Climate Change

CALAFCO Comments: As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional

climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

As amended 4/19/21: There is no longer a requirement for OPR to include in their guidelines how a regional climate network may develop their plan: it does require ("may" to "shall") a regional climate network to develop a regional climate adaptation plan and submit it to OPR for approval; adds requirements of what OPR shall publish on their website; and makes several other minor technical changes.

As amended 7/1/21, the bill now explicitly names LAFCo as an eligible entity. It also adjusts several timelines for OPR's requirements including establishing boundaries for the regional climate networks, develop guidelines and establish standards for the networks, and to make recommendations to the Legislature related to regional adaptation. Give the addition of LAFCo as an eligible entity, CALAFCO is now in support of the bill.

Amendments of 7/14/21, as requested by the Senate Natural Resources & Water Committee, mostly do the following: (1) Include "resilience" to climate adaptation; (2) Prioritize the most vulnerable communities; (3) Add definitions for "under-resourced" and "vulnerable" communities; (4) Remove the requirement for OPR to establish geographic boundaries for the regional climate networks; (5) Include agencies with hazard mitigation authority and in doing so also include the Office of Emergency Services to work with OPR to establish guidelines and standards required for the climate adaptation and resilience plan; and (6) Add several regional and local planning documents to be used in the creation of guidelines.

UPDATE: The bill was held in Appropriations as a 2-year bill.

AB 903 (Frazier D) Los Medanos Community Healthcare District.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/19/2021)(May be acted upon Jan 2022)

| | | | | | | | | | | | |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district's territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district's health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

Position: Watch

CALAFCO Comments: This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

UPDATE: The bill did not pass out of Senate Governance & Finance Committee and will not move forward this year. It may be acted on in 2022.

AB 975 (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.

Current Text: Amended: 5/18/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/18/2021

Status: 9/10/2021-Failed Deadline pursuant to Rule 61(a)(15). (Last location was INACTIVE FILE on 6/1/2021)(May be acted upon Jan 2022)

| Desk | Policy | Fiscal | 2 year | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|--------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

Position: Watch

Subject: FPPC

CALAFCO Comments: As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

AB 1053 (Gabriel D) City selection committees: County of Los Angeles: quorum: teleconferencing.

Current Text: Amended: 4/20/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 4/20/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/18/2021) (May be acted upon Jan 2021)

| Desk | 2 year | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law creates a city selection committee in each county that consists of 2 or more incorporated cities for the purpose of appointing city representatives to boards, commissions, and agencies. Under current law, a quorum for a city selection committee requires a majority of the number of the incorporated cities within the county entitled to representation on the city selection committee. Current law requires a city selection committee meeting to be postponed or adjourned to a subsequent time and place whenever a quorum is not present at the meeting. This bill, for the city selection committee in the County of Los Angeles, would reduce the quorum requirement to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to items that appeared on the immediately preceding agenda where a quorum was not established.

Attachments:

[CALAFCO Removal of Opposition Letter April 2021](#)

[CALAFCO Oppose Unless Amended April 2021](#)

Position: Watch

Subject: Other

CALAFCO Comments: As amended on 3/18/21, the bill reduces the quorum requirement for a city selection committee to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to replicate the meeting for which a quorum was not established. The bill also authorizes a city selection committee to conduct their meetings be teleconference and electronic means.

The bill is sponsored by the Las Virgenes-Malibu Council of Governments.

CALAFCO's letter of Oppose Unless Amended is posted in the bill detail area.

UPDATE AS OF 4/21/21 - As amended on 4/20/21, the scope of the bill is significantly narrowed to apply only to the County of Los Angeles' City Selection Committee. This amendment resolves CALAFCO's concerns and we have removed our opposition and will retain a Watch position. CALAFCO's letter of opposition removal is posted in the bill detail area.

UPDATE: The bill failed to move out of committee so it is now a 2-year bill.

AB 1246 (Nguyen R) Community services districts.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/19/2021) (May be acted upon Jan 2021)

| | | | | | | | | | | | |
|---------------|---------------|---------------|--------------|-------------|---------------|---------------|--------------|--------------------|-----------------|---------------|------------------|
| 2 year | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptored |
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Existing law, the Community Services District Law, authorizes the formation of community services districts for various specified purposes, including supplying water, treating sewage, disposing of solid waste, and providing fire protection. The law specifies its relation and effect on certain districts organized pursuant to former laws and to actions taken by them, among other things. This bill would make nonsubstantive changes to those provisions.

Position: Watch

CALAFCO Comments: This is a spot bill.

AB 1295 (Muratsuchi D) Residential development agreements: very high fire risk areas.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/4/2021) (May be acted upon Jan 2021)

| | | | | | | | | | | | |
|-------------|---------------|---------------|--------------|-------------|---------------|---------------|--------------|--------------------|-----------------|---------------|------------------|
| Desk | 2 year | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chaptored |
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law requires the Director of Forestry and Fire Protection to identify areas in the state as very high fire hazard severity zones based on the severity of fire hazard that is expected to prevail in those areas, as specified, and requires each local agency to designate, by ordinance, the very high fire hazard severity zones in its jurisdiction. Current law additionally requires the director to classify lands within state responsibility areas into fire hazard severity zones. This bill, beginning on or after January 1, 2022, would prohibit the legislative body of a city or county from entering into a residential development agreement for property located in a very high fire risk area. The bill would define "very high fire risk area" for these purposes to mean a very high fire hazard severity zone designated by a local agency or a fire hazard severity zone classified by the director.

Attachments:

[AB 1295 Fact Sheet](#)

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits a city or county from entering into a residential development agreement for property located within a very high fire risk area as of 1-1-2022.

This bill appears similar to SB 55 (Stern) except: (1) This bill explicitly calls out residential development, whereas SB 55 addresses new development (housing, commercial, retail or industrial) in a very high

fire hazard severity zone; and (2) SB 55 adds a state responsibility area.

The bill is not marked fiscal. This is an author-sponsored bill and a fact sheet is posted in the tracking section of the bill.

SB 12 (McGuire D) Local government: planning and zoning: wildfires.

Current Text: Amended: 7/1/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 7/1/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was H. & C.D. on 6/24/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

Position: Watch

Subject: Growth Management, Planning

SB 418 (Laird D) Pajaro Valley Health Care District.

Current Text: Amended: 1/24/2022 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amended: 1/24/2022

Status: 1/20/2022-From committee: Do pass as amended. (Ayes 8. Noes 0.) (January 19).

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

Calendar:

1/24/2022 #68 ASSEMBLY SECOND READING FILE -- SENATE BILLS

Summary:

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization of cities and districts by local agency formation commissions. This bill would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors. This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: Gut and amended on 1/14/22, this bill forms the Pajaro Valley Health Care District within Santa Cruz and Monterey counties. The formation, done by special legislation, bypasses the LAFCo process, with language explicitly stating upon formation, LAFCo shall have authority. The bill requires that within 5 years of the date of the first meeting of the Board of Directors of the district, the board of directors shall divide the district into zones. The bill would require the district to notify Santa Cruz LAFCo when the district, or any other entity, acquires the Watsonville Community Hospital. The bill requires the LAFCo to order the dissolution of the district if the hospital has not been acquired by January 1, 2024 through a streamlined process, and requires the district to notify LAFCo if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility, requiring the LAFCo to dissolve the district under those circumstances in a streamlined process.

Given the hospital has filed bankruptcy and this is the only hospital in the area and serves disadvantaged communities and employs a large number of people in the area, the bill has an urgency clause.

Several amendments were added on 1/24/22 by the ALGC and SGFC all contained within Section 32498.7.

CALAFCO continues to work closely with the author's office, Santa Cruz County lobbyist and the Santa Cruz and Monterey LAFcos on this bill and further amendments. Additional amendments requested include requiring Santa Cruz LAFCo to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFCo for the first 3 years, Santa Cruz LAFCo conducting a special study on the district after 3 years, and representation from both counties on the governing board. Senator Laird has committed to working with us and using another bill to incorporate additional amendments. It is important to keep this bill as light on fiscal requirements as possible to keep it from being stuck in Appropriations committee given the urgent nature of the situation.

The bill is sponsored by the Pajaro Valley Healthcare District Project and is not currently keyed fiscal.

Total Measures: 11

Total Tracking Forms: 11

CALAFCO Legislative Committee MEETING AGENDA

Friday, March 11, 2022 ♦ 10:00 am – 1:00 pm
Virtual via Zoom

<https://us02web.zoom.us/j/88517716709?pwd=WC9kTnhHMOJ0d2FsQnppeFNDSIFPUT09>

Meeting ID: 885 1771 6709

Passcode: 183120

Phone: 669-900-6833

| | <u>Page</u> |
|---|----------------------|
| 1. Welcome, Roll Call, Review Agenda | <i>P. Miller</i> |
| a. Introduction of new Executive Director | |
| 2. Approval of minutes of the January 28, 2022 meeting* | <i>P. Miller</i> 3 |
| 3. CALAFCO sponsored bills | <i>J. Serrano</i> 7 |
| a. AB 2957 Omnibus (ALGC) as introduced | 11 |
| i. Approval of two additional items | |
| 1. Update §56133 to correct code reference | 19 |
| 2. Extend sunset in R&T 99(b)(8) | 20 |
| b. SB 938 (Hertzberg) Protest Provisions | <i>P. Miller</i> 27 |
| 4. Discussion and potential action on legislation affecting LAFCos | <i>P. Miller</i> 53 |
| Priority 1 bills | |
| a. SB 1490 – SB 1491 – SB 1492 (SGFC) Validating Acts | 57 |
| Priority 2 bills | |
| b. AB 1640 (Ward) Climate resilience networks | 83 |
| c. AB 1773 (Patterson) Williamson Act | 93 |
| d. AB 1944 (Lee) Public Meetings – Brown Act | 99 |
| e. AB 2081 (Garcia) Water service Indian lands | 113 |
| f. AB 2449 (Rubio) Public Meetings - Brown Act | 119 |
| g. AB 2647 (Levine) Public Meetings – Brown Act | 133 |
| h. SB 1100 (Cortese) Public Meetings – Brown Act | 137 |
| 5. Update of other CALAFCO tracked bills* | <i>P. Miller</i> 143 |
| 6. Items for Next Meeting | <i>All</i> |
| 7. Adjournment to April 29, 2022 meeting at 10:00 a.m., held virtually. | |

* Please see attached staff report.

This page intentionally left blank.

**CALAFCO Legislative Committee
DRAFT SUMMARY MEETING MINUTES**

Date: January 28, 2022

Location: Virtual

Participants: Mark Bramfitt[^], **Gay Jones**, **Chris Lopez**[^], Steve Lucas, **Mike McGill**, **Jo MacKenzie**, Pamela Miller, **Margie Mohler**, **Anita Paque**, Paula de Sousa, Jennifer Stephenson, **Josh Susman** and Gary Thompson.

Others present: Advisory Committee Members: Priscilla Allen, Crystal Craig, Brandon Fender, Sara Lytle-Pinhey, Erica Sanchez and Jim Simon[^].

Guests included: Mike Prater (Santa Barbara).

Recorder: Pamela Miller

[^] indicates not present the entire meeting

1. Welcome, Roll Call, Review Agenda

Roll call was taken and a quorum established. The meeting was called to order at 10:05 a.m.

2. Approval of minutes of the December 3, 2021 meeting

MOTION: *Mike McGill motioned to approve the minutes of the December 3, 2021 meeting. The motion was seconded by Gay Jones and passed with Anita Paque and Josh Susman abstaining and the rest of the committee members voting yes.*

3. Update of 2022 Legislative Omnibus Bill Process

Pamela Miller gave the update of behalf of Joe Serrano. She reported the three items approved by the committee were forwarded to the Assembly Local Government Committee (ALGC) consultant for preparation of the broad stakeholder review.

4. Update on other 2022 Legislative priorities

a. Co-sponsorship with San Diego LAFCo on §56133 proposal

Pamela provided the update noting the staff report on page 9 of the packet. In summary, she said CALAFCO began working with San Diego LAFCo as co-sponsors of the proposal. After putting together a legislative proposal fact sheet and document containing numerous examples demonstrating the problem and why the solution is needed, stakeholder outreach and work to seek a legislator as author began in early October. As anticipated, there was a great deal of concern and questions from various stakeholders, as well as the two local government committee consultants. In total seven potential legislative authors were approached, all of whom declined our request to author the legislative proposal. Given that, and the timing related to deadlines, it was clear to CALAFCO staff we were unsuccessful in securing an author for the 2022 year and the proposal needed to be tabled for the year. She stated this was shared with San Diego LAFCo's consultant and analyst and discussed with the Board at their January 21,

2022 meeting. Pamela recommended to the Board they place this on their April meeting agenda for discussion and decision as to whether CALAFCO should sponsor the proposal in 2023. If that's the case, she recommended stakeholder outreach must begin in the spring to mitigate concerns before we can think about getting someone to author the proposal. Further if the bill is co-sponsored with San Diego LAFCo, a strong sponsorship strategy needs to be created so the work can be done in tight coordination.

b. Protest provisions legislation

Pamela reported CSDA met January 6, 2022 and took a support in concept position (as the bill had not been introduced yet) on the redraft of existing language and the new process of LAFCo-initiated district dissolution at 25% protest threshold. She reported being successful in securing Senator Hertzberg as the author and Assemblymember Mayes as the primary co-author, and said she is still working on securing other co-authors. She stated the draft of the reorganized existing language was sent to Leg Counsel and the bill will be introduced within the next several weeks. The new process needs to be written in statutory language and the plan is for CALAFCO and CSDA legal counsel who were a part of the protest working group to develop that draft. These changes will be amended into the bill when they are ready and approved by the working group. She also reported she and Jean Hurst have a long list of stakeholders they are reaching out to in order to secure support. She thanked the CALAFCO members of the working group for their work the past three years.

Director MacKenzie reported when Kyle Packham of CSDA presented the item to his legislative committee, he was passionate in his plea for their support and thanked Kyle and Pamela for their work in moving the final piece of work forward through their negotiations.

Directors Jones and Susman thanked the members of the working group for their long and difficult work.

5. Discussion on legislation affecting LAFCos

Priority One Bills:

a. SB 852 (Dodd) – Climate resilience districts

Pamela presented the bill, noting the districts appear to only be a funding mechanism for climate resilience projects adding she has a meeting scheduled with the author's staff and sponsor to gain more information. Similar comments were made by Gary and Jim. No action was taken on the bill.

Priority Three Bills:

b. SB 418 (Laird) – Pajaro Valley HCD formation

Pamela presented the bill as an informational item, noting the detailed staff report and adding CALAFCO had been working with Monterey and Santa Cruz LAFCos as well as the sponsor of the bill on appropriate language and requested amendments. As the bill bypasses LAFCo in the formation of the district, she said we would normally take an oppose position. However, given the unique situation (as outlined in the staff report) and CALAFCO's policy on supporting legislation that provides services to disadvantaged communities, we should not oppose this bill.

Director Lopez spoke to the situation in his area and requested CALAFCO not oppose. No action was taken on the bill.

Steve Lucas suggested he would like to see the streamlined dissolution process used across the board for all LAFCo-initiated dissolutions.

6. Update of other CALAFCO tracked bills

Pamela gave a brief update of other bills being tracked as noted in the meeting packet. No action was taken.

7. Items for Next Meeting

Pamela indicated the next meeting will be the new Executive Director's first legislative committee meeting and they will be introduced to the team. She also reported there will be another Omnibus proposal for the committee to consider relating to 56133(e)(5) which was found during Leg Counsel's write up of the 56133 proposal unauthored language. There is an outdated Public Utility Code section referenced that needs correcting.

Pamela also suggested a special meeting be held on February 25, 2022 rather than wait until March 11 to meet the new Executive Director.

8. Adjournment to March 11, 2022 meeting at 10:00 a.m., held virtually.

The meeting was adjourned at 10:54 a.m. to a special virtual meeting to be held on February 25, 2022 at 10:00 a.m.

DRAFT

This page intentionally left blank.



LEGISLATIVE COMMITTEE MEETING STAFF REPORT

March 11, 2022

Agenda Item No. 3 CALAFCO Sponsored Legislation

Prepared By: Pamela Miller on behalf of René LaRoche, Legislative Committee Chair

Date: March 11, 2022

RECOMMENDATION

1. Approve two new proposals to amend into the 2022 Omnibus bill (AB 2957); and
2. Receive and file the report on SB 938.

DISCUSSION

CALAFCO is sponsoring two legislative bills in 2022. The first is the Omnibus bill, authored by the Assembly Local Government Committee (ALGC), which is AB 2957. The other is SB 938, authored by Senator Hertzberg, which contains the work of the protest provisions working group.

AB 2957 (ALGC)

Our Omnibus bill containing the 3 proposals previously approved by this Committee was introduced on March 2, 2022 as AB 2957 and is included as attachment 3a. CALAFCO issued a call for legislative action to the Executive Officers for letters of support for AB 2957 on March 4, 2022 and provided LAFcos a template for their use. Included as attachment 3.a.1 is the CALAFCO letter of support.

Two additional items for the Omnibus bill have come to CALAFCO's attention and the Committee is asked to consider them for inclusion. They would be amended into AB 2957 after the broad stakeholder review process is complete. The proposals are outlined below.

The first change came to our attention when CALAFCO asked the ALGC to submit the proposed change to §56133 that was being co-sponsored by CALAFCO and San Diego LAFCo. We requested the language be submitted to Leg Counsel as an unbacked (unauthored) bill just in case we were successful in securing an author past the Leg Counsel deadline. We received the RN back with a correction to 56133(e)(5) as the Public Utility Code section referenced containing the definition of local publicly owned electric utility had changed and this section was never updated. It's been verified that within CKH this is the only place this reference needs updating. The proposal is included as attachment 3.a.2.

The second change is at the request of Stanislaus LAFCo, which reinstates and extends the sunset date (expired on January 1, 2021) in Rev & Tax Code Section 99(b)(8) pertaining to the timeframe an application or resolution was filed for purposes of qualified annexations of unincorporated territory. This is a little used section and as such CALAFCO allowed the sunset to lapse. The Stanislaus LAFCo Executive Officer indicates they have a situation in which this may be useful in the future so the request is to reinstate the clause. CALAFCO suggests a 5-year sunset to mirror previous timeframes. No grandfathering language is necessary. The proposal is attachment 3.a.3.

SB 938 (Hertzberg)

The long-awaited completion of the protest provision working group is finally here in the form of SB 938 authored by Senator Hertzberg with initial co-author of Assemblymember Mayes. Introduced on February 8, 2022, the bill starts with the restructured language of existing protest provisions, moving them all into one section, while adding technical, non-substantive clarifications.

The newly created process of LAFCo-initiated district dissolutions at 25% protest threshold is currently being drafted by legal counsel from CALAFCO and CSDA and will be amended into the bill before the first hearing on March 31 (in the Senate Governance & Finance Committee (SGFC)). The amendments will come back to the working group and this committee for review, and the bill will be amended if necessary a second time while in the Assembly. In summary, the proposed amendments will:

- Codify specific circumstances under which a LAFCo may initiate dissolution of a district with a 25% protest threshold, which include conditions such as documented chronic service deficiencies that have gone unaddressed, spending of public funds in an unlawful or reckless manner and a failure to address, willful neglect of consistently adhering to public disclosure laws, failing to meet the minimum number of times required by statute without taking steps to remediate the failures, or consistent failure to perform audits or meet other statutory financial requirements.
- Require LAFCo to document any such deficiency in determinations contained within a Municipal Service Review (MSR).
- Require LAFCo to present the MSR in a 21-day noticed public hearing. At that time the LAFCo may choose to adopt a resolution of intent to dissolve the district. The resolution shall specify a minimum 12-month remediation period.
- The district will have a minimum of 12 months to remediate the deficiencies.
- Half-way through the remediation period, the district shall provide LAFCo a written report on the progress of their remediation efforts. The report is to be placed on a LAFCo meeting agenda and presented at a LAFCo meeting.
- At the conclusion of the remediation period, LAFCo shall conduct another 21-day noticed public hearing to determine if the district has remedied the deficiencies. If the district has resolved the issues, the LAFCo shall rescind the resolution of intent to dissolve the district and the matter is dropped. If not, the LAFCo may adopt a resolution making determinations to dissolve the district.
- The current standard 30-day reconsideration period remains in place.
- Protest proceedings at 25% threshold are noticed with a required 60-day protest period. (Current statute allows for a 21 – 60 day protest period, but for these specific situations the period is 60 days).
- The LAFCo conducts the protest hearing and the amount of qualified protests is determined based on a 25% threshold. LAFCo either orders dissolution, election, or termination (pursuant to existing law).

The bill as introduced, along with the author's fact sheet, are included as attachment 3.b. CALAFCO's fact sheet is attachment 3.b.1. On February 2, 2022, in anticipation of the introduction of the bill, CALAFCO staff sent a bulletin advising the membership of the pending introduction. This bulletin is included as attachment 3.b.3. On February 25, 2022, CALAFCO issued a call for legislative action to the Executive Officers for letters of support for SB 938 and provided LAFCos a template for their use. Attached as 3.b.2 is CALAFCO's letter of support.

CALAFCO continues the work of securing additional co-authors and meeting with stakeholders to secure support for the bill. As of the writing of this report no opposition has come forward and no concerns about the bill or proposed amendments have been expressed.

ATTACHMENTS

3a – AB 2957 as introduced

3.a.1 – CALAFCO Support letter for AB 2957 dated March 4, 2022

3.a.2 – Omnibus proposal for 56133(e)(5)

3.a.3 – Omnibus proposal for R&T 99 (b)(8)

3.b – SB 938 as introduced and author Fact Sheet

3.b.1 – SB 938 CALAFCO Fact Sheet

3.b.2 – CALAFCO letter of support dated February 25, 2022

3.b.3 – CALAFCO bulletin to members on SB 938 dated February 2, 2022

This page intentionally left blank.

ASSEMBLY BILL

No. 2957

Introduced by Committee on Local Government

March 2, 2022

An act to amend Sections 56102, 56653, 56654, and 56658 of, and to add Section 56078.5 to, the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2957, as introduced, Committee on Local Government. Local government: reorganization.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, 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. Existing law requires that an applicant seeking a change of organization or reorganization to submit a plan for providing services within the affected territory.

Existing law requires a petitioner or legislative body desiring to initiate proceedings to submit an application to the executive officer of the local agency formation commission, and requires the local agency formation commission, with regard to an application that includes an incorporation, to immediately notify all affected local agencies and any applicable state agency, as specified.

This bill would define the term “successor agency,” for these purposes to mean the local agency a commission designates to wind up the affairs of a dissolved district. This bill would also make clarifying changes to the above provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 56078.5 is added to the Government
2 Code, to read:
3 56078.5. “Successor Agency” means the local agency the
4 commission designates to wind up the affairs of a dissolved district.
5 SEC. 2. Section 56102 of the Government Code is amended
6 to read:
7 56102. For the purpose of any action to determine or contest
8 the validity of any change of organization or reorganization, the
9 change of organization or reorganization shall be deemed to be
10 ~~completed and in existence~~ *take effect* upon the date of execution
11 of the certificate of completion.
12 SEC. 3. Section 56653 of the Government Code, as amended
13 by Section 1 of Chapter 43 of the Statutes of 2017, is amended to
14 read:
15 56653. (a) ~~If a proposal~~ *an application* for a change of
16 organization or reorganization is submitted pursuant to this part,
17 the applicant shall submit a plan for providing services within the
18 affected territory.
19 (b) The plan for providing services shall include all of the
20 following information and any additional information required by
21 the commission or the executive officer:
22 (1) An enumeration and description of the services currently
23 provided or to be extended to the affected territory.
24 (2) The level and range of those services.
25 (3) An indication of when those services can feasibly be
26 extended to the affected territory, if new services are proposed.
27 (4) An indication of any improvement or upgrading of structures,
28 roads, sewer or water facilities, or other conditions the local agency
29 would impose or require within the affected territory if the change
30 of organization or reorganization is completed.
31 (5) Information with respect to how those services will be
32 financed.
33 (c) (1) In the case of a change of organization or reorganization
34 initiated by a local agency that includes a disadvantaged,
35 unincorporated community as defined in Section 56033.5, a local

1 agency may include in its resolution of application for change of
2 organization or reorganization an annexation development plan
3 adopted pursuant to Section 99.3 of the Revenue and Taxation
4 Code to improve or upgrade structures, roads, sewer or water
5 facilities, or other infrastructure to serve the disadvantaged,
6 unincorporated community through the formation of a special
7 district or reorganization of one or more existing special districts
8 with the consent of each special district's governing body.

9 (2) The annexation development plan submitted pursuant to this
10 subdivision shall include information that demonstrates that the
11 formation or reorganization of the special district will provide all
12 of the following:

13 (A) The necessary financial resources to improve or upgrade
14 structures, roads, sewer, or water facilities or other infrastructure.
15 The annexation development plan shall also clarify the local entity
16 that shall be responsible for the delivery and maintenance of the
17 services identified in the application.

18 (B) An estimated timeframe for constructing and delivering the
19 services identified in the application.

20 (C) The governance, oversight, and long-term maintenance of
21 the services identified in the application after the initial costs are
22 recouped and the tax increment financing terminates.

23 (3) If a local agency includes an annexation development plan
24 pursuant to this subdivision, a local agency formation commission
25 may approve the proposal for a change of organization or
26 reorganization to include the formation of a special district or
27 reorganization of a special district with the special district's
28 consent, including, but not limited to, a community services district,
29 municipal water district, or sanitary district, to provide financing
30 to improve or upgrade structures, roads, sewer or water facilities,
31 or other infrastructure to serve the disadvantaged, unincorporated
32 community, in conformity with the requirements of the principal
33 act of the district proposed to be formed and all required formation
34 proceedings.

35 (4) Pursuant to Section 56881, the commission shall include in
36 its resolution making determinations a description of the annexation
37 development plan, including, but not limited to, an explanation of
38 the proposed financing mechanism adopted pursuant to Section
39 99.3 of the Revenue and Taxation Code, including, but not limited

1 to, any planned debt issuance associated with that annexation
2 development plan.

3 (d) This section shall not preclude a local agency formation
4 commission from considering any other options or exercising its
5 powers under Section 56375.

6 (e) This section shall remain in effect only until January 1, 2025,
7 and as of that date is repealed.

8 SEC. 4. Section 56653 of the Government Code, as amended
9 by Section 2 of Chapter 43 of the Statutes of 2017, is amended to
10 read:

11 56653. (a) If ~~a proposal~~ *an application* for a change of
12 organization or reorganization is submitted pursuant to this part,
13 the applicant shall submit a plan for providing services within the
14 affected territory.

15 (b) The plan for providing services shall include all of the
16 following information and any additional information required by
17 the commission or the executive officer:

18 (1) An enumeration and description of the services currently
19 provided or to be extended to the affected territory.

20 (2) The level and range of those services.

21 (3) An indication of when those services can feasibly be
22 extended to the affected territory, if new services are proposed.

23 (4) An indication of any improvement or upgrading of structures,
24 roads, sewer or water facilities, or other conditions the local agency
25 would impose or require within the affected territory if the change
26 of organization or reorganization is completed.

27 (5) Information with respect to how those services will be
28 financed.

29 (c) This section shall become operative on January 1, 2025.

30 SEC. 5. Section 56654 of the Government Code is amended
31 to read:

32 56654. (a) ~~A proposal~~ *An application* for a change of
33 organization or a reorganization may be made by the adoption of
34 a resolution of application by the legislative body of an affected
35 local agency, except as provided in subdivision (b).

36 (b) Notwithstanding Section 56700, ~~a proposal~~ *an application*
37 for a change of organization that involves the exercise of new or
38 different functions or classes of services, or the divestiture of the
39 power to provide particular functions or classes of services, within
40 all or part of the jurisdictional boundaries of a special district, shall

1 only be initiated by the legislative body of that special district in
2 accordance with Sections 56824.10, 56824.12, and 56824.14.

3 (c) At least 21 days before the adoption of the resolution, the
4 legislative body may give mailed notice of its intention to adopt
5 a resolution of application to the commission and to each interested
6 agency and each subject agency. The notice shall generally describe
7 the ~~proposal~~ *application* and the affected territory.

8 (d) Except for the provisions regarding signers and signatures,
9 a resolution of application shall contain all of the matters specified
10 for a petition in Section 56700 and shall be submitted with a plan
11 for services prepared pursuant to Section 56653.

12 SEC. 6. Section 56658 of the Government Code is amended
13 to read:

14 56658. (a) Any petitioner or legislative body desiring to initiate
15 proceedings shall submit an application to the executive officer of
16 the principal county.

17 (b) (1) Immediately after receiving an application and before
18 issuing a certificate of filing, the executive officer shall give mailed
19 notice that the application has been received to each affected local
20 agency, the county committee on school district organization, and
21 each school superintendent whose school district overlies the
22 affected territory. The notice shall generally describe the ~~proposal~~
23 *application* and the affected territory. The executive officer shall
24 not be required to give notice pursuant to this subdivision if a local
25 agency has already given notice pursuant to subdivision (c) of
26 Section 56654.

27 (2) It is the intent of the Legislature that ~~a proposal~~ *an*
28 *application* for incorporation or disincorporation shall be processed
29 in a timely manner. With regard to an application that includes an
30 incorporation or disincorporation, the executive officer shall
31 immediately notify all affected local agencies and any applicable
32 state agencies by mail and request the affected agencies to submit
33 the required data to the commission within a reasonable timeframe
34 established by the executive officer. Each affected agency shall
35 respond to the executive officer within 15 days acknowledging
36 receipt of the request. Each affected local agency and the officers
37 and departments thereof shall submit the required data to the
38 executive officer within the timelines established by the executive
39 officer. Each affected state agency and the officers and departments
40 thereof shall submit the required data to the executive officer within

1 the timelines agreed upon by the executive officer and the affected
2 state departments.

3 (3) If a special district is, or as a result of a proposal will be,
4 located in more than one county, the executive officer of the
5 principal county shall immediately give the executive officer of
6 each other affected county mailed notice that the application has
7 been received. The notice shall generally describe the proposal
8 and the affected territory.

9 (c) Except when a commission is the lead agency pursuant to
10 Section 21067 of the Public Resources Code, the executive officer
11 shall determine within 30 days of receiving an application whether
12 the application is complete and acceptable for filing or whether
13 the application is incomplete.

14 (d) The executive officer shall not accept an application for
15 filing and issue a certificate of filing for at least 20 days after giving
16 the mailed notice required by subdivision (b). The executive officer
17 shall not be required to comply with this subdivision in the case
18 of an application which meets the requirements of Section 56662
19 or in the case of an application for which a local agency has already
20 given notice pursuant to subdivision (c) of Section 56654.

21 (e) If the appropriate fees have been paid, an application shall
22 be deemed accepted for filing if no determination has been made
23 by the executive officer within the 30-day period. An executive
24 officer shall accept for filing, and file, any application submitted
25 in the form prescribed by the commission and containing all of
26 the information and data required pursuant to Section 56652.

27 (f) When an application is accepted for filing, the executive
28 officer shall immediately issue a certificate of filing to the
29 applicant. A certificate of filing shall be in the form prescribed by
30 the executive officer and shall specify the date upon which the
31 proposal shall be heard by the commission. From the date of
32 issuance of a certificate of filing, or the date upon which an
33 application is deemed to have been accepted, whichever is earlier,
34 an application shall be deemed filed pursuant to this division.

35 (g) If an application is determined not to be complete, the
36 executive officer shall immediately transmit that determination to
37 the applicant specifying those parts of the application which are
38 incomplete and the manner in which they can be made complete.

39 (h) Following the issuance of the certificate of filing, the
40 executive officer shall proceed to set the proposal for hearing and

1 give published notice thereof as provided in this part. The date of
2 the hearing shall be not more than 90 days after issuance of the
3 certificate of filing or after the application is deemed to have been
4 accepted, whichever is earlier. Notwithstanding Section 56106,
5 the date for conducting the hearing, as determined pursuant to this
6 subdivision, is mandatory.

O

March 4, 2022

Honorable Cecilia Aguiar-Curry, Chair
Assembly Local Government Committee
California State Assembly
State Capitol, Room 5144
Sacramento, CA 95814

RE: SUPPORT of AB 2957: Local Government Committee Omnibus Bill

Dear Chair Aguiar-Curry:

The California Association of Local Agency Formation Commissions (CALAFCO) is pleased to sponsor and support the Assembly Local Government Committee Bill **AB 2957** which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

This annual bill includes technical changes to the Act which governs the work of Local Agency Formation Commissions. These changes are necessary as Commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. **AB 2957** currently makes minor technical corrections to language used in the Act. CALAFCO is grateful to your Committee and staff, and the members of our Legislative Committee, all of whom worked diligently on this language to ensure there are no substantive changes while creating a significant increase in the clarity of the Act for all stakeholders.

This legislation helps insure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state. We appreciate your Committee's authorship and support of this bill, and your support of the mission of Local Agency Formation Commissions. I am happy to provide any additional information needed.

Yours sincerely,



René LaRoche
Executive Director

cc: Members, Assembly Local Government Committee
Jimmy MacDonald, Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus

Current Government Code Section 56133(e)(5) cites an incorrect/outdated code section in the Public Utility Code and needs updating. The definition is now in Pub Util. Code 224.3 (done by AB 3048 (2007)). The correct reference is 224.3.

56133.

(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission of the county in which the affected territory is located.

(b) The commission may authorize a city or district to provide new or extended services 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 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 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:

(1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services 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 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 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~~ 224.3 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.

REVENUE & TAX CODE SECTION 99.

(a) For the purposes of the computations required by this chapter:

(1) In the case of a jurisdictional change, other than a city incorporation, city disincorporation, or a formation of a district as defined in Section 2215, the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1, or the annual tax increment determined pursuant to Section 96.5, for local agencies whose service area or service responsibility would be altered by the jurisdictional change, as determined pursuant to subdivision (b) or (c).

(2) In the case of a city incorporation or disincorporation, the auditor shall assign the allocation of property tax revenues determined pursuant to Section 56810 of the Government Code and the adjustments in tax revenues that may occur pursuant to Section 56815 of the Government Code to the newly formed city or district and shall make the adjustment as determined by Section 56810 or 56813 in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the incorporation.

(3) In the case of a formation of a district as defined in Section 2215, the auditor shall assign the allocation of property tax revenues determined pursuant to Section 56810 of the Government Code to the district and shall make the adjustment as determined by Section 56810, or for the disincorporated city or dissolved district as determined by Section 56813, in the allocation of property tax revenue determined pursuant to Section 96 or 96.1 for each local agency whose service area or service responsibilities would be altered by the change of organization.

(b) Upon the filing of an application or a resolution pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code), but prior to the issuance of a certificate of filing, the executive officer shall give notice of the filing to the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change.

(1) (A) The county assessor shall provide to the county auditor, within 30 days of the notice of filing, a report which identifies the assessed valuations for the territory subject to the jurisdictional change and the tax rate area or areas in which the territory exists.

(B) The auditor shall estimate the amount of property tax revenue generated within the territory that is the subject of the jurisdictional change during the current fiscal year.

(2) The auditor shall estimate what proportion of the property tax revenue determined pursuant to paragraph (1) is attributable to each local agency pursuant to Sections 96.1 and 96.5.

(3) Within 45 days of notice of the filing of an application or resolution, the auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the jurisdictional change of the amount of, and

allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) that is subject to a negotiated exchange.

(4) Upon receipt of the estimates pursuant to paragraph (3), the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. Except as otherwise provided, this negotiation period shall not exceed 60 days. If a local agency involved in these negotiations notifies the other local agencies, the county auditor, and the local agency formation commission in writing of its desire to extend the negotiating period, the negotiating period shall be 90 days.

The exchange may be limited to an exchange of property tax revenues from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years.

(5) In the event that a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall, on behalf of the district or districts, negotiate any exchange of property tax revenues. Prior to entering into negotiation on behalf of a district for the exchange of property tax revenue, the board shall consult with the affected district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.

(6) Notwithstanding any other provision of law, the executive officer shall not issue a certificate of filing pursuant to Section 56658 of the Government Code until the local agencies included in the property tax revenue exchange negotiation, within the negotiation period, present resolutions adopted by each such county and city whereby each county and city agrees to accept the exchange of property tax revenues.

(7) In the event that the commission modifies the proposal or its resolution of determination, any local agency whose service area or service responsibility would be altered by the proposed jurisdictional change may request, and the executive officer shall grant, 30 days for the affected agencies, pursuant to paragraph (4), to renegotiate an exchange of property tax revenues. Notwithstanding the time period specified in paragraph (4), if the resolutions required pursuant to paragraph (6) are not presented to the executive officer within the 30-day period, all proceedings of the jurisdictional change shall automatically be terminated.

(8) In the case of a jurisdictional change that consists of a city's qualified annexation of unincorporated territory, an exchange of property tax revenues between the city and the county shall be determined in accordance with subdivision (e) if that exchange of revenues is not otherwise determined pursuant to either of the following:

(A) Negotiations completed within the applicable period or periods as prescribed by this subdivision.

(B) A master property tax exchange agreement among those local agencies, as described in subdivision (d).

For purposes of this paragraph, a qualified annexation of unincorporated territory means an annexation, as so described, for which an application or a resolution was filed on or after January 1, 1998, and on or before ~~January 1, 2021~~ January 1, 2028.

(9) No later than the date on which the certificate of completion of the jurisdictional change is recorded with the county recorder, the executive officer shall notify the auditor or auditors of the exchange of property tax revenues and the auditor or auditors shall make the appropriate adjustments as provided in subdivision (a).

(c) Whenever a jurisdictional change is not required to be reviewed and approved by a local agency formation commission, the local agencies whose service area or service responsibilities would be altered by the proposed change, shall give notice to the State Board of Equalization and the assessor and auditor of each county within which the territory subject to the jurisdictional change is located. This notice shall specify each local agency whose service area or responsibility will be altered by the jurisdictional change and request the auditor and assessor to make the determinations required pursuant to paragraphs (1) and (2) of subdivision (b). Upon notification by the auditor of the amount of, and allocation factors with respect to, property tax subject to exchange, the local agencies, pursuant to the provisions of paragraphs (4) and (6) of subdivision (b), shall determine the amount of property tax revenues to be exchanged between and among the local agencies. Notwithstanding any other provision of law, no such jurisdictional change shall become effective until each county and city included in these negotiations agrees, by resolution, to accept the negotiated exchange of property tax revenues. The exchange may be limited to an exchange of property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to the local agencies whose service area or service responsibilities will be altered by the proposed jurisdictional change. The final exchange resolution shall specify how the annual tax increment shall be allocated in future years. Upon the adoption of the resolutions required pursuant to this section, the adopting agencies shall notify the auditor who shall make the appropriate adjustments as provided in subdivision (a). Adjustments in property tax allocations made as the result of a city or library district withdrawing from a county free library system pursuant to Section 19116 of the Education Code shall be made pursuant to Section 19116 of the Education Code, and this subdivision shall not apply.

(d) With respect to adjustments in the allocation of property taxes pursuant to this section, a county and any local agency or agencies within the county may develop and adopt a master property tax transfer agreement. The agreement may be revised from time to time by the parties subject to the agreement.

(e) (1) An exchange of property tax revenues that is required by paragraph (8) of subdivision (b) to be determined pursuant to this subdivision shall be determined in accordance with all of the following:

(A) The city and the county shall mutually select a third-party consultant to perform a comprehensive, independent fiscal analysis, funded in equal portions by the city

and the county, that specifies estimates of all tax revenues that will be derived from the annexed territory and the costs of city and county services with respect to the annexed territory. The analysis shall be completed within a period not to exceed 30 days, and shall be based upon the general plan or adopted plans and policies of the annexing city and the intended uses for the annexed territory. If, upon the completion of the analysis period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (B) shall apply.

(B) The city and the county shall mutually select a mediator, funded in equal portions by those agencies, to perform mediation for a period not to exceed 30 days. If, upon the completion of the mediation period, no exchange of property tax revenues is agreed upon by the city and the county, subparagraph (C) shall apply.

(C) The city and the county shall mutually select an arbitrator, funded in equal portions by those agencies, to conduct an advisory arbitration with the city and the county for a period not to exceed 30 days. At the conclusion of this arbitration period, the city and the county shall each present to the arbitrator its last and best offer with respect to the exchange of property tax revenues. The arbitrator shall select one of the offers and recommend that offer to the governing bodies of the city and the county. If the governing body of the city or the county rejects the recommended offer, it shall do so during a public hearing, and shall, at the conclusion of that hearing, make written findings of fact as to why the recommended offer was not accepted.

(2) Proceedings under this subdivision shall be concluded no more than 150 days after the auditor provides the notification pursuant to paragraph (3) of subdivision (b), unless one of the periods specified in this subdivision is extended by the mutual agreement of the city and the county. Notwithstanding any other provision of law, except for those conditions that are necessary to implement an exchange of property tax revenues determined pursuant to this subdivision, the local agency formation commission shall not impose any fiscal conditions upon a city's qualified annexation of unincorporated territory that is subject to this subdivision.

(f) Except as otherwise provided in subdivision (g), for the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and each fiscal year thereafter for those local agencies that were affected by a jurisdictional change which was filed with the State Board of Equalization after January 1, 1978, but on or before January 1, 1979. The local agencies shall determine by resolution the amount of property tax revenues to be exchanged between and among the affected agencies and notify the auditor of the determination.

(g) For the purpose of determining the amount of property tax to be allocated in the 1979–80 fiscal year and each fiscal year thereafter, for a city incorporation that was filed pursuant to Sections 54900 to 54904, inclusive, of the Government Code after January 1, 1978, but on or before January 1, 1979, the amount of property tax revenue considered to have been received by the jurisdiction for the 1978–79 fiscal year shall be equal to two-thirds of the amount of property tax revenue projected in the final local agency formation commission staff report pertaining to the incorporation multiplied by the proportion that the total amount of property tax revenue received by all jurisdictions within the county for the 1978–79 fiscal year bears to the total amount of property tax revenue received by all jurisdictions

within the county for the 1977–78 fiscal year. Except, however, in the event that the final commission report did not specify the amount of property tax revenue projected for that incorporation, the commission shall by October 10 determine pursuant to Section 54790.3 of the Government Code the amount of property tax to be transferred to the city.

The provisions of this subdivision shall also apply to the allocation of property taxes for the 1980–81 fiscal year and each fiscal year thereafter for incorporations approved by the voters in June 1979.

(h) For the purpose of the computations made pursuant to this section, in the case of a district formation that was filed pursuant to Sections 54900 to 54904, inclusive, of the Government Code after January 1, 1978, but before January 1, 1979, the amount of property tax to be allocated to the district for the 1979–80 fiscal year and each fiscal year thereafter shall be determined pursuant to Section 54790.3 of the Government Code.

(i) For the purposes of the computations required by this chapter, in the case of a jurisdictional change, other than a change requiring an adjustment by the auditor pursuant to subdivision (a), the auditor shall adjust the allocation of property tax revenue determined pursuant to Section 96 or 96.1 or its predecessor section, or the annual tax increment determined pursuant to Section 96.5 or its predecessor section, for each local school district, community college district, or county superintendent of schools whose service area or service responsibility would be altered by the jurisdictional change, as determined as follows:

(1) The governing body of each district, county superintendent of schools, or county whose service areas or service responsibilities would be altered by the change shall determine the amount of property tax revenues to be exchanged between and among the affected jurisdictions. This determination shall be adopted by each affected jurisdiction by resolution. For the purpose of negotiation, the county auditor shall furnish the parties and the county board of education with an estimate of the property tax revenue subject to negotiation.

(2) In the event that the affected jurisdictions are unable to agree, within 60 days after the effective date of the jurisdictional change, and if all the jurisdictions are wholly within one county, the county board of education shall, by resolution, determine the amount of property tax revenue to be exchanged. If the jurisdictions are in more than one county, the State Board of Education shall, by resolution, within 60 days after the effective date of the jurisdictional change, determine the amount of property tax to be exchanged.

(3) Upon adoption of any resolution pursuant to this subdivision, the adopting jurisdictions or State Board of Education shall notify the county auditor who shall make the appropriate adjustments as provided in subdivision (a).

(j) For purposes of subdivision (i), the annexation by a community college district of territory within a county not previously served by a community college district is an alteration of service area. The community college district and the county shall negotiate the amount, if any, of property tax revenues to be exchanged. In these negotiations, there shall be taken into consideration the amount of revenue received from the timber yield tax and forest reserve receipts by the community

college district in the area not previously served. In no event shall the property tax revenue to be exchanged exceed the amount of property tax revenue collected prior to the annexation for the purposes of paying tuition expenses of residents enrolled in the community college district, adjusted each year by the percentage change in population and the percentage change in the cost of living, or per capita personal income, whichever is lower, less the amount of revenue received by the community college district in the annexed area from the timber yield tax and forest reserve receipts.

(k) At any time after a jurisdictional change is effective, any of the local agencies party to the agreement to exchange property tax revenue may renegotiate the agreement with respect to the current fiscal year or subsequent fiscal years, subject to approval by all local agencies affected by the renegotiation.

This page intentionally left blank.

Introduced by Senator Hertzberg
(Coauthor: Assembly Member Mayes)

February 8, 2022

An act to amend Sections 56824.14, 57075, 57077.1, 57077.2, 57077.3, 57077.4, and 57090 of, to add Sections 57077.5 and 57077.6 to, to add Chapter 4.5 (commencing with Section 57091) to Part 4 of Division 3 of Title 5 of, and to repeal Sections 57076, 57107, and 57113 of, the Government Code, and to amend Section 116687 of the Health and Safety Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 938, as introduced, Hertzberg. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. Under existing law, in each county there is a local agency formation commission (commission) that oversees these changes of organization and reorganization.

With a specified exception, existing law provides for protest proceedings for a change of organization or reorganization following adoption of a resolution making certain determinations by the commission, as provided. Existing law sets forth required procedures for the commission following a protest hearing depending on the nature of the conducting authority, as defined, the type of change of organization or reorganization, and the results of the protest proceeding.

The bill would reorganize and consolidate the above-described procedures. The bill would make conforming changes and remove obsolete provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 56824.14 of the Government Code is
2 amended to read:

3 56824.14. (a) The commission shall review and approve with
4 or without amendments, wholly, partially, or conditionally, or
5 disapprove proposals for the establishment of new or different
6 functions or class of services, or the divestiture of the power to
7 provide particular functions or class of services, within all or part
8 of the jurisdictional boundaries of a special district, after a public
9 hearing called and held for that purpose. The commission shall
10 not approve a proposal for the establishment of new or different
11 functions or class of services within the jurisdictional boundaries
12 of a special district unless the commission determines that the
13 special district will have sufficient revenues to carry out the
14 proposed new or different functions or class of services except as
15 specified in paragraph (1).

16 (1) The commission may approve a proposal for the
17 establishment of new or different functions or class of services
18 within the jurisdictional boundaries of a special district where the
19 commission has determined that the special district will not have
20 sufficient revenue to provide the proposed new or different
21 functions or class of services, if the commission conditions its
22 approval on the concurrent approval of sufficient revenue sources
23 pursuant to Section 56886. In approving a proposal, the
24 commission shall provide that if the revenue sources pursuant to
25 Section 56886 are not approved, the authority of the special district
26 to provide new or different functions or class of services shall not
27 be established.

28 (2) Unless otherwise required by the principal act of the subject
29 special district, or unless otherwise required by Section ~~57075~~ or
30 ~~57076~~, 57075, the approval by the commission for establishment
31 of new or different functions or class of services, or the divestiture

1 of the power to provide particular functions or class of services,
2 shall not be subject to an election.

3 (b) At least 21 days prior to the date of that hearing, the
4 executive officer shall give mailed notice of the hearing to each
5 affected local agency or affected county, and to any interested
6 party who has filed a written request for notice with the executive
7 officer. In addition, at least 21 days prior to the date of that hearing,
8 the executive officer shall cause notice of the hearing to be
9 published in accordance with Section 56153 in a newspaper of
10 general circulation that is circulated within the territory affected
11 by the proposal proposed to be adopted.

12 (c) The commission may continue from time to time any hearing
13 called pursuant to this section. The commission shall hear and
14 consider oral or written testimony presented by any affected local
15 agency, affected county, or any interested person who appears at
16 any hearing called and held pursuant to this section.

17 SEC. 2. Section 57075 of the Government Code is amended
18 to read:

19 ~~57075. In the case of registered voter districts or cities, where~~
20 *Where* a change of organization or reorganization consists solely
21 of annexations, detachments, the exercise of new or different
22 functions or class of services or the divestiture of the power to
23 provide particular functions or class of services within all or part
24 of the jurisdictional boundaries of a special district, or any
25 combination of those proposals, the commission, not more than
26 30 days after the conclusion of the hearing, shall make a finding
27 regarding the value of written protests filed and not withdrawn,
28 ~~and take one of the following actions, except as provided in~~
29 ~~subdivision (b) of Section 57002:~~ *take the action set forth in either*
30 *subdivision (a) of Section 57091, in the case of registered voter*
31 *districts or cities, or subdivision (b) of Section 57091, in the case*
32 *of landowner-voter districts.*

33 ~~(a) In the case of inhabited territory, take one of the following~~
34 ~~actions:~~

35 ~~(1) Terminate proceedings if a majority protest exists in~~
36 ~~accordance with Section 57078.~~

37 ~~(2) Order the change of organization or reorganization subject~~
38 ~~to confirmation by the registered voters residing within the affected~~
39 ~~territory if written protests have been filed and not withdrawn by~~
40 ~~either of the following:~~

1 (A) At least 25 percent, but less than 50 percent, of the registered
2 voters residing in the affected territory.
3 (B) At least 25 percent of the number of owners of land who
4 also own at least 25 percent of the assessed value of land within
5 the affected territory.
6 ~~(3) Order the change of organization or reorganization without~~
7 ~~an election if paragraphs (1) and (2) of this subdivision do not~~
8 ~~apply.~~
9 ~~(b) In the case of uninhabited territory, take either of the~~
10 ~~following actions:~~
11 ~~(1) Terminate proceedings if a majority protest exists in~~
12 ~~accordance with Section 57078.~~
13 ~~(2) Order the change of organization or reorganization if written~~
14 ~~protests have been filed and not withdrawn by owners of land who~~
15 ~~own less than 50 percent of the total assessed value of land within~~
16 ~~the affected territory.~~
17 SEC. 3. Section 57076 of the Government Code is repealed.
18 57076. ~~In the case of landowner-voter districts, where a change~~
19 ~~of organization or reorganization consists solely of annexations~~
20 ~~or detachments, the exercise of new or different functions or class~~
21 ~~of services or the divestiture of the power to provide particular~~
22 ~~functions or class of services within all or part of the jurisdictional~~
23 ~~boundaries of a special district, or any combination of those~~
24 ~~proposals, the commission, not more than 30 days after the~~
25 ~~conclusion of the hearing, shall make a finding regarding the value~~
26 ~~of written protests filed and not withdrawn, and take one of the~~
27 ~~following actions, except as provided in subdivision (b) of Section~~
28 ~~57002:~~
29 ~~(a) Terminate proceedings if a majority protest exists in~~
30 ~~accordance with Section 57078.~~
31 ~~(b) Order the change of organization or reorganization subject~~
32 ~~to an election within the affected territory if written protests that~~
33 ~~have been filed and not withdrawn represent either of the following:~~
34 ~~(1) Twenty-five percent or more of the number of owners of~~
35 ~~land who also own 25 percent or more of the assessed value of~~
36 ~~land within the territory.~~
37 ~~(2) Twenty-five percent or more of the voting power of~~
38 ~~landowner voters entitled to vote as a result of owning property~~
39 ~~within the territory.~~

1 ~~(e) Order the change of organization or reorganization without~~
 2 ~~an election if written protests have been filed and not withdrawn~~
 3 ~~by less than 25 percent of the number of owners of land who own~~
 4 ~~less than 25 percent of the assessed value of land within the~~
 5 ~~affected territory.~~

6 SEC. 4. Section 57077.1 of the Government Code is amended
 7 to read:

8 57077.1. (a) If a change of organization consists of a
 9 dissolution, the commission shall order the dissolution without
 10 confirmation of the voters, except if the proposal meets the
 11 requirements of subdivision (b), the commission shall order the
 12 dissolution subject to confirmation of the voters.

13 (b) The commission shall order the dissolution subject to the
 14 confirmation of the voters as follows:

15 (1) If the proposal was not initiated by the commission, and if
 16 a subject agency has not objected by resolution to the proposal,
 17 the commission has found that protests meet ~~one of the following~~
 18 ~~the applicable~~ protest ~~thresholds; thresholds set forth in Section~~
 19 ~~57093.~~

20 ~~(A) In the case of inhabited territory, protests have been signed~~
 21 ~~by either of the following:~~

22 ~~(i) At least 25 percent of the number of landowners within the~~
 23 ~~affected territory who own at least 25 percent of the assessed value~~
 24 ~~of land within the territory.~~

25 ~~(ii) At least 25 percent of the voters entitled to vote as a result~~
 26 ~~of residing within, or owning land within, the affected territory.~~

27 ~~(B) In the case of a landowner-voter district, that the territory~~
 28 ~~is uninhabited and that protests have been signed by at least 25~~
 29 ~~percent of the number of landowners within the affected territory~~
 30 ~~owning at least 25 percent of the assessed value of land within the~~
 31 ~~territory.~~

32 (2) If the proposal was not initiated by the commission, and if
 33 a subject agency has objected by resolution to the proposal, written
 34 protests have been submitted ~~as follows; that meet the applicable~~
 35 ~~protest thresholds set forth in Section 57094.~~

36 ~~(A) In the case of inhabited territory, protests have been signed~~
 37 ~~by either of the following:~~

38 ~~(i) At least 25 percent of the number of landowners within any~~
 39 ~~subject agency within the affected territory who own at least 25~~
 40 ~~percent of the assessed value of land within the territory.~~

1 ~~(ii) At least 25 percent of the voters entitled to vote as a result~~
2 ~~of residing within, or owning land within, any subject agency~~
3 ~~within the affected territory.~~

4 ~~(B) In the case of a landowner-voter district, that the territory~~
5 ~~is uninhabited and protests have been signed by at least 25 percent~~
6 ~~of the number of landowners within any subject agency within the~~
7 ~~affected territory, owning at least 25 percent of the assessed value~~
8 ~~of land within the subject agency.~~

9 (3) If the proposal was initiated by the commission, and
10 regardless of whether a subject agency has objected to the proposal
11 by resolution, written protests have been submitted that meet the
12 requirements of Section ~~57113~~. 57077.6.

13 (c) Notwithstanding subdivisions (a) and (b) and Sections 57102
14 and 57103, if a change of organization consists of the dissolution
15 of a district that is consistent with a prior action of the commission
16 pursuant to Section 56378, 56425, or 56430, the commission may
17 do either of the following:

18 (1) If the dissolution is initiated by the district board,
19 immediately approve and order the dissolution without an election
20 or protest proceedings pursuant to this part.

21 (2) If the dissolution is initiated by an affected local agency, by
22 the commission pursuant to Section 56375, or by petition pursuant
23 to Section 56650, order the dissolution after holding at least one
24 noticed public hearing, and after conducting protest proceedings
25 in accordance with this part. Notwithstanding any other law, the
26 commission shall terminate proceedings if a majority protest exists
27 in accordance with Section 57078. If a majority protest is not
28 found, the commission shall order the dissolution without an
29 election.

30 SEC. 5. Section 57077.2 of the Government Code is amended
31 to read:

32 57077.2. (a) If the change of organization consists of a
33 consolidation of two or more districts, the commission shall order
34 the consolidation without confirmation by the voters, except that
35 if the proposal meets the requirements of subdivision (b), the
36 commission shall order the consolidation subject to confirmation
37 of the voters.

38 (b) The commission shall order the consolidation subject to the
39 confirmation of the voters as follows:

1 (1) If the commission has approved a proposal submitted by
2 resolution of a majority of the members of the legislative bodies
3 of two or more local agencies pursuant to Section 56853, and the
4 commission has found that protests meet ~~one of the following~~ *the*
5 *applicable* protest ~~thresholds;~~ *thresholds set forth in Section 57093.*

6 (A) ~~In the case of inhabited territory, protests have been signed~~
7 ~~by either of the following:~~

8 (i) ~~At least 25 percent of the number of landowners within the~~
9 ~~territory subject to the consolidation who own at least 25 percent~~
10 ~~of the assessed value of land within the territory.~~

11 (ii) ~~At least 25 percent of the voters entitled to vote as a result~~
12 ~~of residing within, or owning land within, the territory.~~

13 (B) ~~In the case of a landowner-voter district, the territory is~~
14 ~~uninhabited and protests have been signed by at least 25 percent~~
15 ~~of the number of landowners within the territory subject to the~~
16 ~~consolidation, owning at least 25 percent of the assessed value of~~
17 ~~land within the territory.~~

18 (2) If the commission has approved a proposal not initiated by
19 the commission and if a subject agency has not objected by
20 resolution to the proposal, written protests have been submitted
21 that meet the requirements specified in subparagraph (A) or (B)
22 of paragraph (1). *applicable protest thresholds set forth in Section*
23 *57093.*

24 (3) If the proposal was not initiated by the commission, and if
25 a subject agency has objected by resolution to the proposal, written
26 protests have been submitted ~~as follows:~~ *that meet one of the*
27 *protest thresholds set forth in Section 57094.*

28 (A) ~~In the case of inhabited territory, protests have been signed~~
29 ~~by either of the following:~~

30 (i) ~~At least 25 percent of the number of landowners within any~~
31 ~~subject agency within the affected territory who own at least 25~~
32 ~~percent of the assessed value of land within the territory.~~

33 (ii) ~~At least 25 percent of the voters entitled to vote as a result~~
34 ~~of residing within, or owning land within, any subject agency~~
35 ~~within the affected territory.~~

36 (B) ~~In the case of a landowner-voter district, the territory is~~
37 ~~uninhabited, and protests have been signed by at least 25 percent~~
38 ~~of the number of landowners within any subject agency within the~~
39 ~~affected territory, owning at least 25 percent of the assessed value~~
40 ~~of land within the subject agency.~~

1 (4) If the commission has approved a proposal initiated by the
 2 commission, and regardless of whether a subject agency has
 3 objected to the proposal by resolution, written protests have been
 4 submitted that meet the requirements of Section ~~57113~~: 57077.6.

5 SEC. 6. Section 57077.3 of the Government Code is amended
 6 to read:

7 57077.3. (a) If a proposal consists of a reorganization not
 8 described in Section 57075, ~~57076~~, 57077, 57077.4, or 57111, the
 9 commission shall order the reorganization without confirmation
 10 by the voters except that if the reorganization meets the
 11 requirements of subdivision (b), the commission shall order the
 12 reorganization subject to confirmation of the voters.

13 (b) The commission shall order the reorganization subject to
 14 confirmation of the voters as follows:

15 (1) If the commission has approved a proposal submitted by
 16 resolution of a majority of the members of the legislative bodies
 17 of two or more local agencies pursuant to Section 56853, and the
 18 commission has found that protests meet ~~one of the following~~ *the*
 19 *applicable* protest ~~thresholds~~: *thresholds set forth in Section 57093*.

20 (A) ~~In the case of inhabited territory, protests have been signed~~
 21 ~~by either of the following:~~

22 (i) ~~At least 25 percent of the number of landowners within the~~
 23 ~~affected territory who own at least 25 percent of the assessed value~~
 24 ~~of land within the territory.~~

25 (ii) ~~At least 25 percent of the voters entitled to vote as a result~~
 26 ~~of residing within, or owning land within, the affected territory.~~

27 (B) ~~In the case of a landowner-voter district, that the territory~~
 28 ~~is uninhabited, and that protests have been signed by at least 25~~
 29 ~~percent of the number of landowners within the affected territory,~~
 30 ~~owning at least 25 percent of the assessed value of land within the~~
 31 ~~territory.~~

32 (2) If the commission has approved a proposal not initiated by
 33 the commission, and if a subject agency has not objected by
 34 resolution to the proposal, a written protest has been submitted
 35 that meets ~~the requirements specified in subparagraph (A) or (B)~~
 36 ~~of paragraph (1)~~: *the applicable protest thresholds set forth in*
 37 *Section 57093*.

38 (3) If the commission has approved a proposal not initiated by
 39 the commission, and if a subject agency has objected by resolution

1 to the proposal, written protests have been submitted as follows:
2 *that meet one of the protest thresholds set forth in Section 57094.*

3 ~~(A) In the case of inhabited territory, protests have been signed~~
4 ~~by either of the following:~~

5 ~~(i) At least 25 percent of the number of landowners within any~~
6 ~~subject agency within the affected territory who own at least 25~~
7 ~~percent of the assessed value of land within the territory.~~

8 ~~(ii) At least 25 percent of the voters entitled to vote as a result~~
9 ~~of residing within, or owning land within, any subject agency~~
10 ~~within the affected territory.~~

11 ~~(B) In the case of a landowner-voter district, the territory is~~
12 ~~uninhabited, and protests have been signed by at least 25 percent~~
13 ~~of the number of landowners within any subject agency within the~~
14 ~~affected territory, owning at least 25 percent of the assessed value~~
15 ~~of land within the subject agency.~~

16 (4) If the commission has approved a proposal initiated by the
17 commission, and regardless of whether a subject agency has
18 objected to the proposal by resolution, written protests have been
19 submitted that meet the requirements of Section ~~57113.~~ 57077.6.

20 ~~(e) This section shall not apply to reorganizations governed by~~
21 ~~Sections 56853.5 and 56853.6.~~

22 SEC. 7. Section 57077.4 of the Government Code is amended
23 to read:

24 57077.4. (a) If a reorganization consists of the dissolution of
25 one or more districts and the annexation of all or substantially all
26 the territory to another district not initiated pursuant to Section
27 56853 or by the commission pursuant to Section 56375, the
28 commission shall order the reorganization without confirmation
29 by the voters except that if the reorganization meets the
30 requirements of subdivision ~~(b),~~ (b) or (c), the commission shall
31 order the reorganization subject to confirmation by the voters.

32 (b) The commission shall order the reorganization subject to
33 confirmation by the ~~voters as follows:~~ voters, if written protests
34 have been submitted that meet the applicable protest thresholds
35 set forth in Section 57094.

36 ~~(1) In the case of inhabited territory, protests have been signed~~
37 ~~by either of the following:~~

38 ~~(A) At least 25 percent of the number of landowners within any~~
39 ~~subject agency within the affected territory who own at least 25~~
40 ~~percent of the assessed value of land within the territory.~~

1 ~~(B) At least 25 percent of the voters entitled to vote as a result~~
 2 ~~of residing within, or owning land within, any subject agency~~
 3 ~~within the affected territory.~~

4 ~~(2) In the case of a landowner-voter district, the territory is~~
 5 ~~uninhabited, and protests have been signed by at least 25 percent~~
 6 ~~of the number of landowners within any subject agency within the~~
 7 ~~affected territory, owning at least 25 percent of the assessed value~~
 8 ~~of land within the subject agency.~~

9 ~~(3) If~~

10 ~~(c) The commission shall order the reorganization subject to~~
 11 ~~confirmation by the voters if the reorganization has been initiated~~
 12 ~~by the commission pursuant to Section 56375, 56375 and protests~~
 13 ~~have been submitted that meet the requirements of Section 57113.~~
 14 ~~57077.6.~~

15 SEC. 8. Section 57077.5 is added to the Government Code, to
 16 read:

17 57077.5. (a) In any resolution ordering a merger or
 18 establishment of a subsidiary district, the commission shall approve
 19 the change of organization without an election except that if the
 20 change of organization meets the requirements of subdivision (b),
 21 the commission shall order the change of organization subject to
 22 confirmation of the voters.

23 (b) The commission shall order the change of organization
 24 subject to confirmation of the voters within any subject agency as
 25 follows:

26 (1) If the proposal was not initiated by the commission, and if
 27 a subject agency has not objected by resolution to the proposal,
 28 the commission has found that protests meet the applicable protest
 29 thresholds set forth in Section 57093.

30 (2) If the proposal was not initiated by the commission, and if
 31 a subject agency has objected by resolution to the proposal, written
 32 protests have been submitted that meet the applicable protest
 33 thresholds set forth in Section 57094.

34 (3) If the proposal was initiated by the commission, and
 35 regardless of whether a subject agency has objected to the proposal
 36 by resolution, written protests have been submitted that meet the
 37 requirements of Section 57077.6.

38 (c) Notwithstanding subdivision (a) or (b), the commission shall
 39 not order the merger or establishment of a subsidiary district
 40 without the consent of the subject city.

1 SEC. 9. Section 57077.6 is added to the Government Code, to
2 read:

3 57077.6. Notwithstanding Section 57102, 57108, or 57111,
4 for any proposal that was initiated by the commission pursuant to
5 subdivision (a) of Section 56375, the commission shall forward
6 the change of organization or reorganization for confirmation by
7 the voters if the commission finds written protests have been
8 submitted that meet the applicable protest thresholds set forth in
9 Section 57094.

10 SEC. 10. Section 57090 of the Government Code is amended
11 to read:

12 57090. (a) Except as otherwise provided in subdivision (b), if
13 proceedings are terminated, either by majority protest as provided
14 in Sections ~~57075, 57076~~, 57075 and 57077, or if a majority of
15 voters do not confirm the change of organization or reorganization
16 as provided in Section 57179, no substantially similar proposal
17 for a change of organization or reorganization of the same or
18 substantially the same territory may be filed with the commission
19 within two years after the date of the certificate of termination if
20 the proposal included an incorporation or city consolidation and
21 within one year for any other change of organization or
22 reorganization.

23 (b) The commission may waive the requirements of subdivision
24 (a) if it finds these requirements are detrimental to the public
25 interest.

26 SEC. 11. Chapter 4.5 (commencing with Section 57091) is
27 added to Part 4 of Division 3 of Title 5 of the Government Code,
28 to read:

29
30 CHAPTER 4.5. PROTEST THRESHOLDS

31
32 57091. (a) For purposes of Section 57075, relating to
33 annexations, detachments, and latent powers, in the case of
34 registered voter districts or cities:

35 (1) For inhabited territory, the commission shall take one of the
36 following actions:

37 (A) Terminate proceedings if a majority protest exists in
38 accordance with Section 57078.

39 (B) Order the change of organization or reorganization subject
40 to confirmation by the registered voters residing within the affected

1 territory if written protests have been filed and not withdrawn by
2 either of the following:

3 (i) At least 25 percent, but less than 50 percent, of the registered
4 voters residing in the affected territory.

5 (ii) At least 25 percent of the number of owners of land who
6 also own at least 25 percent of the assessed value of land within
7 the affected territory.

8 (C) Order the change of organization or reorganization without
9 an election if subparagraphs (A) and (B) of this paragraph do not
10 apply.

11 (2) For uninhabited territory, the commission shall take either
12 of the following actions:

13 (A) Terminate proceedings if a majority protest exists in
14 accordance with Section 57078.

15 (B) Order the change of organization or reorganization if written
16 protests have been filed and not withdrawn by owners of land who
17 own less than 50 percent of the total assessed value of land within
18 the affected territory.

19 (b) For purposes of Section 57075, in the case of
20 landowner-voter districts, the commission shall take one of the
21 following actions:

22 (1) Terminate proceedings if a majority protest exists in
23 accordance with Section 57078.

24 (2) Order the change of organization or reorganization subject
25 to an election within the affected territory if written protests that
26 have been filed and not withdrawn represent either of the following:

27 (A) Twenty-five percent or more of the number of owners of
28 land who also own 25 percent or more of the assessed value of
29 land within the affected territory.

30 (B) Twenty-five percent or more of the voting power of
31 landowner voters entitled to vote as a result of owning property
32 within the affected territory.

33 (3) Order the change of organization or reorganization without
34 an election if written protests have been filed and not withdrawn
35 by less than 25 percent of the number of owners of land who own
36 less than 25 percent of the assessed value of land within the
37 affected territory.

38 57092. For purposes of Sections 57077.1, relating to
39 dissolution, 57077.2, relating to consolidation, 57077.3, relating
40 to reorganization, 57077.4, relating to dissolution and annexation,

1 and 57077.5, relating to merger or establishment of a subsidiary
2 district, the following protest thresholds shall apply:

3 (a) In the case of inhabited territory, protests have been signed
4 by either of the following:

5 (1) At least 25 percent of the number of landowners within the
6 affected territory who own at least 25 percent of the assessed value
7 of land within the affected territory.

8 (2) At least 25 percent of the voters entitled to vote as a result
9 of residing within, or owning land within, the affected territory.

10 (b) In the case of a landowner-voter district, that the territory
11 is uninhabited and that protests have been signed by at least 25
12 percent of the number of landowners within the affected territory
13 owning at least 25 percent of the assessed value of land within the
14 affected territory.

15 57093. For proposals not initiated by the commission and where
16 a subject agency has objected by resolution to the proposal, for
17 purposes of Sections 57077.1, relating to dissolution, 57077.2,
18 relating to consolidation, 57077.3, relating to reorganization,
19 57077.4, relating to dissolution and annexation, and 57077.5,
20 relating to merger or establishment of a subsidiary district, the
21 following protest thresholds shall apply:

22 (a) In the case of inhabited territory, protests have been signed
23 by either of the following:

24 (1) At least 25 percent of the number of landowners within any
25 subject agency within the affected territory who own at least 25
26 percent of the assessed value of land within the affected territory.

27 (2) At least 25 percent of the voters entitled to vote as a result
28 of residing within, or owning land within, any subject agency
29 within the affected territory.

30 (b) In the case of a landowner-voter district, that the territory
31 is uninhabited and protests have been signed by at least 25 percent
32 of the number of landowners within any subject agency within the
33 affected territory, owning at least 25 percent of the assessed value
34 of land within the subject agency.

35 57094. For purposes of Section 57077.6, relating to proposals
36 initiated by the commission, the following protest thresholds shall
37 apply:

38 (a) In the case of inhabited territory, protests have been signed
39 by either of the following:

1 (1) At least 10 percent of the number of landowners within any
 2 subject agency within the affected territory who own at least 10
 3 percent of the assessed value of land within the territory. However,
 4 if the number of landowners within a subject agency is less than
 5 300, the protests shall be signed by at least 25 percent of the
 6 landowners who own at least 25 percent of the assessed value of
 7 land within the affected territory of the subject agency.

8 (2) At least 10 percent of the voters entitled to vote as a result
 9 of residing within, or owning land within, any subject agency
 10 within the affected territory. However, if the number of voters
 11 entitled to vote within a subject agency is less than 300, the protests
 12 shall be signed by at least 25 percent of the voters entitled to vote.

13 (b) In the case of a landowner-voter district, the territory is
 14 uninhabited and protests have been signed by at least 10 percent
 15 of the number of landowners within any subject agency within the
 16 affected territory, who own at least 10 percent of the assessed value
 17 of land within the territory. However, if the number of landowners
 18 entitled to vote within a subject agency is less than 300, protests
 19 shall be signed by at least 25 percent of the landowners entitled to
 20 vote.

21 SEC. 12. Section 57107 of the Government Code is repealed.

22 ~~57107. (a) In any resolution ordering a merger or establishment~~
 23 ~~of a subsidiary district, the commission shall approve the change~~
 24 ~~of organization without an election except that if the change of~~
 25 ~~organization meets the requirements of subdivision (b), the~~
 26 ~~commission shall order the change of organization subject to~~
 27 ~~confirmation of the voters.~~

28 ~~(b) The commission shall order the change of organization~~
 29 ~~subject to confirmation of the voters within any subject agency as~~
 30 ~~follows:~~

31 ~~(1) If the proposal was not initiated by the commission, and if~~
 32 ~~a subject agency has not objected by resolution to the proposal,~~
 33 ~~the commission has found that protests meet one of the following~~
 34 ~~protest thresholds:~~

35 ~~(A) In the case of inhabited territory, protests have been signed~~
 36 ~~by either of the following:~~

37 ~~(i) At least 25 percent of the number of landowners within the~~
 38 ~~affected territory who own at least 25 percent of the assessed value~~
 39 ~~of land within the territory.~~

1 ~~(ii) At least 25 percent of the voters entitled to vote as a result~~
2 ~~of residing within, or owning land within, the affected territory.~~

3 ~~(B) In the case of a landowner-voter district, that the territory~~
4 ~~is uninhabited and that protests have been signed by at least 25~~
5 ~~percent of the number of landowners within the affected territory~~
6 ~~owning at least 25 percent of the assessed value of land within the~~
7 ~~territory.~~

8 ~~(2) If the proposal was not initiated by the commission, and if~~
9 ~~a subject agency has objected by resolution to the proposal, written~~
10 ~~protests have been submitted as follows:~~

11 ~~(A) In the case of inhabited territory, protests have been signed~~
12 ~~by either of the following:~~

13 ~~(i) At least 25 percent of the number of landowners within any~~
14 ~~subject agency within the affected territory who own at least 25~~
15 ~~percent of the assessed value of land within the territory.~~

16 ~~(ii) At least 25 percent of the voters entitled to vote as a result~~
17 ~~of residing within, or owning land within, any subject agency~~
18 ~~within the affected territory.~~

19 ~~(B) In the case of a landowner-voter district, that the territory~~
20 ~~is uninhabited and protests have been signed by at least 25 percent~~
21 ~~of the number of landowners within any subject agency within the~~
22 ~~affected territory, owning at least 25 percent of the assessed value~~
23 ~~of land within the subject agency.~~

24 ~~(3) If the proposal was initiated by the commission, and~~
25 ~~regardless of whether a subject agency has objected to the proposal~~
26 ~~by resolution, written protests have been submitted that meet the~~
27 ~~requirements of Section 57113.~~

28 ~~(e) Notwithstanding subdivision (a) or (b), the commission shall~~
29 ~~not order the merger or establishment of a subsidiary district~~
30 ~~without the consent of the subject city.~~

31 SEC. 13. Section 57113 of the Government Code is repealed.
32 57113. Notwithstanding Section 57102, 57108, or 57111, for
33 any proposal that was initiated by the commission pursuant to
34 subdivision (a) of Section 56375, the commission shall forward
35 the change of organization or reorganization for confirmation by
36 the voters if the commission finds either of the following:

37 ~~(a) In the case of inhabited territory, protests have been signed~~
38 ~~by either of the following:~~

39 ~~(1) At least 10 percent of the number of landowners within any~~
40 ~~subject agency within the affected territory who own at least 10~~

1 percent of the assessed value of land within the territory. However,
 2 if the number of landowners within a subject agency is less than
 3 300, the protests shall be signed by at least 25 percent of the
 4 landowners who own at least 25 percent of the assessed value of
 5 land within the territory of the subject agency.

6 ~~(2) At least 10 percent of the voters entitled to vote as a result~~
 7 ~~of residing within, or owning land within, any subject agency~~
 8 ~~within the affected territory. However, if the number of voters~~
 9 ~~entitled to vote within a subject agency is less than 300, the protests~~
 10 ~~shall be signed by at least 25 percent of the voters entitled to vote.~~

11 ~~(b) In the case of a landowner-voter district, the territory is~~
 12 ~~uninhabited and protests have been signed by at least 10 percent~~
 13 ~~of the number of landowners within any subject agency within the~~
 14 ~~affected territory, who own at least 10 percent of the assessed value~~
 15 ~~of land within the territory. However, if the number of landowners~~
 16 ~~entitled to vote within a subject agency is less than 300, protests~~
 17 ~~shall be signed by at least 25 percent of the landowners entitled to~~
 18 ~~vote.~~

19 SEC. 14. Section 116687 of the Health and Safety Code is
 20 amended to read:

21 116687. (a) For purposes of this section, the following terms
 22 have the following meanings:

23 (1) “District” means the Sativa-Los Angeles County Water
 24 District.

25 (2) “Commission” means the Local Agency Formation
 26 Commission for the County of Los Angeles.

27 (b) To provide affordable, safe drinking water to disadvantaged
 28 communities, the state board shall order the district to accept
 29 administrative and managerial services, including full management
 30 and control, from an administrator selected by the state board, as
 31 prescribed in Section 116686, except that the state board is not
 32 required to conduct a public meeting as described in paragraph (2)
 33 of subdivision (b) of Section 116686.

34 (c) (1) Upon the appointment of an administrator, all of the
 35 following apply:

36 (A) Notwithstanding Article 1 (commencing with Section
 37 30500) of Chapter 1 of Part 3 of Division 12 of the Water Code,
 38 the district’s board of directors shall surrender all control to the
 39 appointed administrator and shall thereafter cease to exist.

1 (B) The members of the board of directors of the district shall
2 have no standing to represent the district’s ratepayers, and a
3 member of the board of directors shall have no claim for benefits
4 other than those the member actually received while a member of
5 the board of directors.

6 (C) Any action by the board of directors to divest the district of
7 its assets shall be deemed tampering with a public water system
8 pursuant to Section 116750 and is subject to the criminal penalties
9 provided for in that section.

10 (2) Within 90 days of the appointment of an administrator, the
11 Controller shall perform a desk audit or financial review of the
12 district. The state board shall exercise its legal authority to facilitate
13 the desk audit or financial review, including, but not limited to,
14 its authority to take possession of the district’s financial records.

15 (3) Any decision by the commission about the dissolution or
16 consolidation of the district is not subject to the provisions of
17 Section ~~57113~~ 57077.6 of the Government Code, nor to any other
18 requirement for a protest proceeding or election. The commission
19 shall not impose any condition on the successor agency that
20 requires a protest proceeding or an election, as described in Part
21 4 (commencing with Section 57000) and Part 5 (commencing with
22 Section 57300) of Division 3 of Title 5 of the Government Code,
23 respectively.

24 (4) If the commission approves a dissolution of the district
25 initiated by the commission, a successor agency designated in the
26 dissolution by the commission, in consultation with the
27 commission, may solicit proposals, evaluate submittals, and select
28 any public water system to be the receiving water system and
29 subsume all assets, liabilities, adjudicated water rights,
30 responsibilities, and service obligations to provide retail water
31 service to existing and future ratepayers within the former territory
32 of the district. The successor agency shall represent the interests
33 of the public and the ratepayers in the former territory of the
34 district.

35 (d) The state board may provide additional funding to the
36 administrator or the Water Replenishment District of Southern
37 California or the successor agency designated by the commission
38 for urgent infrastructure repairs to the public water system of the
39 district without regard to the future ownership of any facilities
40 affected by this funding. For purposes of this section, “urgent

1 infrastructure repairs” are those that are immediately necessary to
2 protect the public health, safety, and welfare of those served by
3 the district.

4 (e) If the district is consolidated with a receiving water system
5 as prescribed in Sections 116682 and 116684, the subsumed
6 territory of the district may include both unincorporated territory
7 of the County of Los Angeles and incorporated territory of the
8 City of Compton.

9 (f) (1) Any administrator appointed pursuant to subdivision
10 (b), any successor agency to the district designated by the
11 commission to take over the district, any receiving operator of a
12 public water system that provides service to the territory of the
13 district, any water corporation that acquires the district, and the
14 commission shall not be held liable for claims by past or existing
15 district ratepayers or those who consumed water provided through
16 the district concerning the operation and supply of water from the
17 district during the interim operation period specified in subdivision
18 (g) for any good faith, reasonable effort using ordinary care to
19 assume possession of the territory of, to operate, or to supply water
20 to the ratepayers within the territory of, the district.

21 (2) Any administrator appointed pursuant to subdivision (b),
22 any successor agency to the district designated by the commission
23 to take over the district, any receiving operator of a public water
24 system that provides service to the territory of the district, any
25 water corporation that acquires the district, and the commission
26 shall not be held liable for claims by past or existing district
27 ratepayers or those who consumed water provided through the
28 district for any injury that occurred prior to the commencement of
29 the interim operation period specified in subdivision (g).

30 (g) (1) Notwithstanding subdivision (d) of Section 116684, for
31 any successor agency to the district designated by the commission
32 to take over the district, any receiving operator of a public water
33 system that provides service to the territory of the district, or any
34 water corporation that acquires the district, the interim operation
35 period shall commence upon the execution of an agreement or
36 designation by the commission to provide water services to the
37 district and shall end one year later. Upon the showing of good
38 cause, the interim operation period shall be extended by the
39 commission for up to three successive one-year periods at the
40 request of an entity described in this paragraph.

1 (2) For the administrator appointed pursuant to subdivision (b),
2 the interim operation period commences upon being appointed by
3 the state board and ends when a successor agency has been
4 designated by the commission to provide water service to
5 ratepayers of the district, when a receiving water agency is
6 consolidated with or extends service to ratepayers of the district,
7 when a water corporation acquires the district with the approval
8 of the Public Utilities Commission, or when the administrator's
9 obligation to provide interim administrative and managerial
10 services has otherwise ended.

O



Senate Bill 938

Cortese-Knox-Hertzberg Local Government Reorganization Act: LAFCO Protest Reforms

As Proposed to Be Amended

SUMMARY

SB 938 clarifies existing statutory provisions regarding consolidations and dissolutions of special districts, and creates new conditions under which a Local Agency Formation Commission (LAFCO) may initiate dissolution of a special district.

BACKGROUND

LAFCOs are independent regulatory commissions created by the Legislature to control the boundaries of cities, county service areas, and most special districts. Among the purpose of LAFCOs includes the discouragement of urban sprawl, the preservation of agricultural and open space lands, and the encouragement of the orderly formation and development of local agencies. In an effort to better meet these obligations, the duties and authority of LAFCOs were significantly modified by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (AB 2838, Hertzberg). Chief among the act's provisions is the authority for LAFCOs to conduct Municipal Service Reviews, which, among other things, provide information to guide districts in performance improvement. These reviews can serve as a catalyst for LAFCOs to initiate district consolidations or dissolutions.

ISSUE

In 2017, the Little Hoover Commission released a [report](#) reviewing the state's 58 LAFCOs and recommended several measures to strengthen their oversight of special districts. Notably, the report highlighted a complicated and inconsistent set of rules for the dissolution or consolidation of a special district. If a LAFCO initiates an action, the action must go to a public vote if only 10 percent of the district's constituents protest; for a non-LAFCO initiation of the very same action, a public vote is only required if 25 percent of the affected constituents protest the action. These disparate protest thresholds make necessary special district consolidations and dissolutions considerably more difficult when initiated by a LAFCO. Further, they serve as a deterrent for LAFCOs to initiate action in the first place, even if meaningful efficiencies in the provision of public services could be achieved, or if a district is failing to meet its statutory requirements.

SB 938 (HERTZBERG)

Following the Little Hoover Commission report, the California Association of Local Agency Formation Commissions (CALAFCO) formed a working group to discuss the consolidation and dissolution process and to provide LAFCOs with the tools they need to carry out their statutory obligations. Consistent with agreements made in this three-year effort, SB 938, as proposed to be amended, creates specific conditions under which a LAFCO may initiate dissolution of a special district with a 25 percent protest threshold, including:

- Determinations for the proposed action must be documented in a Municipal Service Review and presented at a 21-day noticed public hearing;
- The district in question must be granted a minimum 12-month remediation period and an opportunity to provide a progress report to the LAFCO prior to taking any action;
- A second 21-day public hearing must be held to determine if the identified issues are mitigated, resulting in the LAFCO either terminating the dissolution, or moving forward under the standard protest hearing process outlined in existing law with a public notice period of 60 days.

SUPPORT

California Association of Local Agency Formation Commissions (Sponsor)

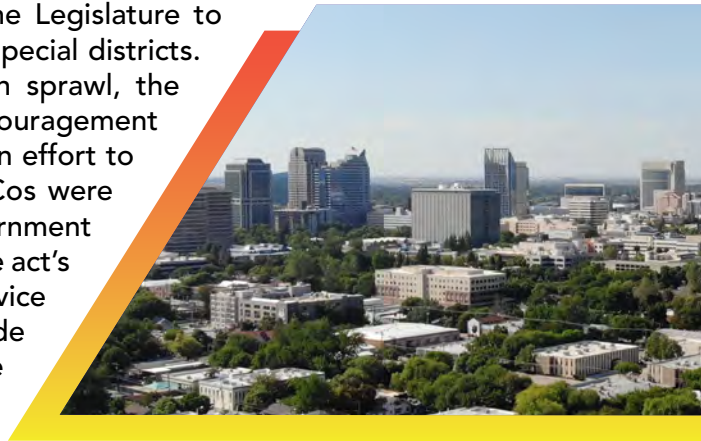


The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: Protest Proceedings

**FACT SHEET:
SB 938 (HERTZBERG)**

BACKGROUND

LAFCoS are independent regulatory commissions created by the Legislature to control the boundaries of cities, county service areas, and most special districts. The purpose of LAFCoS includes the discouragement of urban sprawl, the preservation of agricultural and open space lands, and the encouragement of the orderly formation and development of local agencies. In an effort to better meet these obligations, the duties and authority of LAFCoS were significantly modified by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (AB 2838, Hertzberg). Chief among the act's provisions is the authority for LAFCoS to conduct Municipal Service Reviews, which, among other things, provide information to guide districts in performance improvement. These reviews can serve as a catalyst for LAFCoS to initiate district consolidations or dissolutions.



In response to a recommendation made in the 2017 Little Hoover Commission report (Special Districts: Improving Oversight and Transparency), the California Association of Local Agency Formation Commissions (CALAFCO) initiated a working group of stakeholders in early 2019 to discuss the protest process for consolidations and dissolutions of special districts.

The statutes related to protest provisions and the disparate protest thresholds established for LAFCo-initiated actions (10 percent) and all other initiated actions (25 percent) make addressing necessary and appropriate special district consolidations and dissolutions considerably more difficult when initiated by a LAFCo. Further, they serve as a deterrent for LAFCo to initiate action, even if meaningful efficiencies in the provision of public services could be achieved or if a district is failing to meet its statutory requirements.

The working group agreed on three main deliverables:



First was to review the protest provisions within the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (The Act) for relevance and to delete any obsolete provisions, which was accomplished through AB 1581 (2021).



The second deliverable was to redraft existing scattered protest code sections within The Act into a single code section to simplify the reading of the code section.



The final—and most challenging—deliverable was to examine the differing protest thresholds relating to LAFCo-initiated actions and all other initiated actions.



AFTER CONSIDERABLE NEGOTIATION, THE WORKING GROUP GAVE CONSENSUS ON THE FOLLOWING CHANGES TO CKH:



The redrafting of existing protest code sections into one main section to simplify the reading of the section, and to add minor, non-substantive clarifications;



Create specific circumstances under which a LAFCo may initiate dissolution of a district with a 25% protest threshold, with determinations documented in a Municipal Service Review and presented at a 21-day noticed public hearing;



Allow for a minimum 12-month remediation period for the district with a progress report provided by the district to the LAFCo halfway through the remediation period; and



A second 21-day noticed public hearing to determine if the identified issues have been mitigated, which would result in the LAFCo either terminating the dissolution or moving forward with the dissolution using 25% protest threshold under the standard protest hearing process already in statute, with a public notice period of 60 days.



The overarching goal of these changes is to ensure that LAFCos have the tools they need to carry out their statutory obligations to ensure orderly and functioning local government services and to create greater consistency in the statute.

SUMMARY

SB 938 represents a collaborative three-year effort to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which a LAFCo may initiate dissolution of a district at the 25 percent protest threshold.

CONTACT:

CALAFCO:
Pamela Miller
pmiller@calafco.org
916-442-6536

Jean Kinney Hurst
Hurst Brooks Espinosa, LLC
jkh@hbeadvocacy.com
916-803-4754

Senator Hertzberg:
Martin Bui
martin.bui@sen.ca.gov
916-651-4018

February 25, 2022

Honorable Robert Hertzberg
California State Senate
1021 O Street, Room 8610
Sacramento, CA 95814

RE: **SUPPORT of SB 938: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.**

Dear Senator Hertzberg:

The California Association of Local Agency Formation Commissions (CALAFCO) is pleased to sponsor and **support SB 938**, which makes changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (The Act). **SB 938** represents a collaborative three-year effort to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which a Local Agency Formation Commission (LAFCo) may initiate dissolution of a district at the 25% protest threshold (the latter of which are proposed amendments).

The statutes related to protest provisions and the disparate protest thresholds established for LAFCo-initiated actions (10%) and all other initiated actions (25%) make addressing necessary and appropriate special district consolidations and dissolutions considerably more difficult when initiated by a LAFCo. Further, they serve as a deterrent for LAFCo to initiate action, even if meaningful efficiencies in the provision of public services could be achieved or if a district is failing to meet its statutory requirements. A statewide study conducted by CALAFCO in 2018 found that the 10% protest threshold was the second-most common deterrent for LAFCos initiating action (the first being the lack of funding).

In response to a recommendation made in the 2017 Little Hoover Commission report after a year-long study (*Special Districts: Improving Oversight and Transparency*), CALAFCO initiated a working group of stakeholders in early 2019 to examine the protest process for consolidations and dissolutions of special districts. After three years of work (delayed due to the pandemic), the working group came to consensus on the redraft of existing protest statutes (representative of **SB 938** as introduced) and a new process that allows LAFCos to initiate dissolution of a district at the 25% protest threshold under specific circumstances (pending amendment into **SB 938**).

Specifically, the proposed amendments will:

- Codify specific circumstances under which a LAFCo may initiate dissolution of a district with a 25% protest threshold, which include conditions such as documented chronic service deficiencies that have gone unaddressed, spending of public funds in an unlawful or reckless manner and a failure to address, willful neglect of consistently adhering to public disclosure laws, failing to meet the minimum number of times required by statute without taking steps to remediate the failures, or consistent failure to perform audits or meet other statutory financial requirements.
- Require LAFCo to document any such deficiency in determinations contained within a Municipal Service Review (MSR).
- Require LAFCo to present the MSR in a 21-day noticed public hearing. At that time the LAFCo may choose to adopt a resolution of intent to dissolve the district. The resolution shall specify a minimum 12-month remediation period.

- The district will have a minimum of 12 months to remediate the deficiencies.
- Half-way through the remediation period, the district shall provide LAFCo a written report on the progress of their remediation efforts. The report is to be placed on a LAFCo meeting agenda and presented at a LAFCo meeting.
- At the conclusion of the remediation period, LAFCo shall conduct another 21-day noticed public hearing to determine if the district has remedied the deficiencies. If the district has resolved the issues, the LAFCo shall rescind the resolution of intent to dissolve the district and the matter is dropped. If not, the LAFCo may adopt a resolution making determinations to dissolve the district.
- The current standard 30-day reconsideration period remains in place.
- Protest proceedings at 25% threshold are noticed with a required 60-day protest period. (Current statute allows for a 21 – 60 day protest period, but for these specific situations the period is 60 days).
- The LAFCo conducts the protest hearing and the amount of qualified protests is determined based on a 25% threshold. LAFCo either orders dissolution, election, or termination (pursuant to existing law).

The overarching goal of these changes is to ensure that LAFCos have the tools they need to carry out their statutory obligations to ensure orderly and functioning local government services and to create greater consistency in the statute. The specific circumstances under which a dissolution may be initiated are more than reasonable and the subsequent process includes three noticed public hearings, a minimum 12-month remediation period, and a 60-day protest period, all of which are extremely practical. Additionally, the proposed process for LAFCo-initiated actions at the 25% protest threshold applies only to dissolutions, making the scope of use exceptionally narrow.

The 18-member working group consisted of a broad group of stakeholder representatives from CALAFCO (including Executive Officers and legal counsel), the California Special Districts Association (CSDA) (including board members and staff from water, resource conservation and fire protection districts, as well as legal counsel), a shared CALAFCO-CSDA Board member, and representatives from the League of California Cities, California State Association of Counties (CSAC), and the Senate Governance and Finance and Assembly Local Government Committees. CALAFCO greatly appreciates the working group participants for their hard work and dedication to this endeavor.

SB 938 makes much needed and long-awaited improvements to The Act through the restructure and clarification of existing protest provisions, and addition of a fair and appropriate process that offers LAFCos additional tools necessary to effectively fulfill their statutory obligations.

We thank you for your authorship of this critical legislation and for continuing your long support of the work of LAFCos. For all these reasons, we are pleased to sponsor and support your bill **SB 938**.

Yours sincerely,



Pamela Miller
Executive Director

cc: Members, Senate Governance and Finance Committee
Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee
Ryan Eisberg, Consultant, Senate Republican Caucus



CALAFCO Sponsored Legislation for Protest Provisions

TO: CALAFCO MEMBER LAFcos
FROM: CALAFCO & MEMBERS OF THE CALAFCO TEAM OF THE PROTEST PROVISION REWRITE WORKING GROUP
(Pamela Miller, Jo MacKenzie, Holly Whatley, José Henríquez, Steve Lucas, Kai Luoma and Paul Novak)

CALAFCO has been reporting to you for the past several years that we have been actively responding to several recommendations made in the 2017 Little Hoover Commission report (*Special Districts: Improving Oversight and Transparency*). We want to announce the completion of our work relating to the recommendation to ***“convene an advisory committee to review the protest process for consolidations and dissolutions of special districts and to develop legislation to simplify and create consistency in the process”***. CALAFCO initiated a working group of stakeholders in early 2019 to discuss the protest process for consolidations and dissolutions of special districts, specifically, the statutes related to LAFCo-initiated protest provisions and the 10% protest threshold while all other initiated actions have a 25% protest threshold. This disparity makes addressing necessary and appropriate special district consolidations and dissolutions considerably more difficult when initiated by a LAFCo. Further, they serve as a deterrent for LAFCo to initiate action, even if meaningful efficiencies in the provision of public services could be achieved or if a district is failing to meet its statutory requirements.

The 18-member working group consists of seven CALAFCO representatives (including CALAFCO/CSDA Board member Jo MacKenzie, CALAFCO ED Pamela Miller, LAFCo legal counsel Holly Whatley, and EOs representing all 4 regions of CALAFCO including José Henríquez (Sacramento), Steve Lucas (Butte), Kai Luoma (Ventura) and Paul Novak (LA); seven CSDA representatives (including one of their lobbyists, legal counsel and five members representing water, fire, resource conservation and community services districts), representatives from the League of CA Cities and from the CA State Association of Counties, as well as the consultants from the Assembly Local Government and Senate Governance & Finance Committees.

The working group agreed on three main deliverables:

1. Review the protest provisions within the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) for relevance and delete any obsolete provisions, which was accomplished through AB 1581 (2021).
2. Redraft existing scattered protest code sections within CKH into a single code section to simplify the reading of the code section.
3. Examine the differing protest thresholds relating to LAFCo-initiated actions and all other initiated actions, which proved to be the most challenging of all the goals.

After considerable negotiation, the working group gave consensus on the following changes to CKH:

- ❖ The redrafting of existing protest code sections into one main section to simplify the reading of the section, and to add minor, non-substantive clarifications;
- ❖ Create specific circumstances under which a LAFCo may initiate dissolution of a district with a 25% protest threshold, with determinations documented in a Municipal Service Review and presented at a 21-day noticed public hearing;
- ❖ Allow for a minimum 12-month remediation period for the district with a progress report provided by the district to the LAFCo halfway through the remediation period; and
- ❖ A second 21-day noticed public hearing to determine if the identified issues have been mitigated, which would result in the LAFCo either terminating the dissolution or moving forward with the dissolution using 25% protest threshold under the standard protest hearing process already in statute, with a public notice period of 60 days.

The overarching goal of these changes is to ensure that LAFCos have the tools needed to carry out statutory obligations to ensure orderly and functioning local government services and to create greater consistency in the statute.

Consistent with the CALAFCO Strategic Plan, the CALAFCO Board of Directors and Legislative Committee unanimously support this effort and proceeding with a legislative solution in 2022. We are proud to announce Senator Hertzberg has agreed to author this measure with Assemblymember Mayes as primary co-author. The bill will be introduced shortly and will begin with the redrafting of existing protest code sections into one section. The new process allowing for LAFCo-initiated dissolutions at 25% will be written and amended into the bill as it proceeds through the legislative process.

CALAFCO continues to conduct stakeholder outreach and will be reaching out to you, our member LAFCos, with regular updates on the bill and executing a call for legislative action requesting your support of this critical piece of legislation. Please contact our Executive Director Pamela Miller at pmiller@calafco.org with any questions.

This page intentionally left blank.

LEGISLATIVE COMMITTEE MEETING STAFF REPORT

March 11, 2022

Agenda Item No. 4 Legislation Affecting LAFCo

Prepared By: Pamela Miller on behalf of René LaRoche, Legislative Committee Chair

Date: March 11, 2022

RECOMMENDATION

1. Consider bills that may have an impact on LAFCOs and take positions as appropriate.

DISCUSSION

As of the writing of this report, 2,140 have been introduced in the Legislature for 2022 and CALAFCO is tracking 24 bills. For this meeting, staff has identified numerous bills worthy of Committee discussion and position, and are noted below in order of their priority level. Several have staff recommended positions for committee consideration. Full text of each bill and Fact Sheets (as available) are included as attachments. Bills being presented to the Committee as informational only are covered in agenda item number 5 and include several bills we were actively engaged in last year that are not going anywhere this year.

Priority One Bills

SB 1490 – SB 1491 – SB 1492 (Senate Governance and Finance Committee) Annual Validating Acts

These are the three annual validating acts which validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. The bills are included as attachment 4a.

Staff recommends a Support position for all three bills.

Priority Two Bills

AB 1640 (Ward)

This bill is a follow up and very similar to AB 897 (2021), which CALAFCO supported. The bill would authorize eligible entities, as defined (including LAFCo), to establish and participate in a regional climate network, as defined. The bill would authorize a regional climate network to engage in activities to address climate change, as specified. Further, it requires a regional climate network to develop a regional climate adaptation and resilience action plan and to submit the plan to OPR for review, comments, and certification. The bill would require OPR to: (1) encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks; (2) develop and publish guidelines on how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks by 7-1-23; and (3) provide technical assistance to regions seeking to establish a regional climate network, facilitate coordination between regions, and encourage regions to incorporate as many eligible entities into one network as feasible.

The difference between this bill and AB 897 is this bill removes requirements for OPR to develop guidelines and establish standards and required content for a regional climate adaptation and resilience action plan (to be produced by the network) and removes some specified technical support requirements by OPR. Those requirements were covered in SB 170, a budget trailer bill from 2021. The bill and fact sheet are included as attachment 4b.

Climate Adaptation is a new area of interest in CALAFCO's Legislative Policies. ***Staff recommends a Support position for AB 1640.***

AB 1773 (Patterson) Williamson Act

AB 1773 reinstates funding the Williamson Act for the 2022-2023 budget year. The Williamson Act was created to preserve open space and conserve agricultural land. For many years, the state funded the Act at around \$35 - \$40 million per year. This funding ceased during the recession and has not been reinstated since. AB 1773 would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments. The bill is author-sponsored, has a general-fund appropriation, and is keyed fiscal. The bill and fact sheet are included as attachment 4c.

Supporting the continuance of Williamson Act funding is a CALAFCO Legislative Policy. ***Staff recommends a Support position for AB 1773.***

AB 1944 (Lee) Public Meetings – Brown Act

This bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing their private address on the meeting agenda and making this address open to members of the public. If the governing body chooses to allow for remote participation, it must also provide video streaming and offer public comment via video or phone. The bill is author sponsored and keyed fiscal. The bill and fact sheet are included as attachment 4d.

This is one of several bills addressing public meetings. Given Member Lee's propensity to amend bills in ways that are ultimately unfavorable, ***staff recommends retaining a Watch position for AB 1944, and suggests the Committee discuss again at your April meeting.*** CALAFCO and other stakeholders will gather for a meeting to discuss this and the other Public Meeting-Brown Act bills sometime in the coming week, after which staff will have a better idea of broader stakeholder perspective on these bills.

AB 2081 (Garcia) Water service Indian Tribes

This bill extends the sunset date created in AB 1361 (2017). Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, under specified circumstances, to apply to the applicable LAFCo to provide this service of water to Indian lands, as defined, that are not within the district and requires the LAFCo to approve such an application. This bill extends the sunset date from January 1, 2023 to January 1, 2025.

CALAFCO opposed AB 1361 in 2017 as the process requires LAFCo to approve the extension of service, requires the district to extend the service, and does not require annexation upon extension of service. CALAFCO reached out to the author's office requesting information as to the reason for the extension and we have not been given a reason. The bill and author fact sheet are attachment 4e. ***Staff recommends an Oppose position on AB 2081.***

AB 2449 (Rubio) Public Meetings – Brown Act

This bill authorizes the use of teleconferencing without noticing and making available to the public teleconferencing locations if a quorum of the members of the legislative body participate in person from a singular location that is noticed and open to the public and require the legislative body to

offer public comment via video or phone. CALAFCO reached out to the author's office for information and we've not yet heard back. The bill is not keyed fiscal. The bill is included as attachment 4f.
Staff recommends retaining a Watch position for AB 2449.

AB 2647 (Levine) Public Meetings – Brown Act

This bill seeks to amend the law to make clear that writings that have been distributed to a majority of a local legislative body less than 72 hours before a meeting can be posted online in order to satisfy the law. The bill is sponsored by the League of CA Cities and is not keyed fiscal. A fact sheet is not yet available. The bill is included as attachment 4g. ***For now, staff recommends retaining a Watch position for AB 2647 and suggests the Committee discuss again at your April meeting.***

SB 1100 (Cortese) Public Meetings – Brown Act

This bill would authorize the removal of an individual from a public meeting who is “willfully interrupting” the meeting after a warning and a request to stop their behavior. “Willfull interrupting” is defined as intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law. The bill is author-sponsored and keyed fiscal. The bill and fact sheet are included as attachment 4h. CALAFCO believes there may be amendments forthcoming. And as noted above this is one of the bills a key group of stakeholders will discuss in the coming week. As a result, ***staff recommends retaining a Watch position for SB 1100 and suggests the Committee discuss again at your April meeting.***

ATTACHMENTS

- 4a – SB 1490, SB 1491 and SB 1492 as introduced
- 4b – AB 1640 as introduced and author fact sheet
- 4c – AB 1773 as introduced and author fact sheet
- 4d – AB 1944 as introduced and author fact sheet
- 4e – AB 2081 as introduced and author fact sheet
- 4f – AB 2449 as introduced
- 4g – AB 2647 as introduced
- 4h – SB 1100 as introduced and author fact sheet

This page intentionally left blank.

Introduced by Committee on Governance and Finance (Senators Caballero (Chair), Durazo, Hertzberg, Nielsen, and Wiener)

February 28, 2022

An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL’S DIGEST

SB 1490, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the First Validating Act of 2022, 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.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 First Validating Act of 2022.
- 3 SEC. 2. As used in this act:
- 4 (a) “Public body” means all of the following:
- 5 (1) The state and all departments, agencies, boards,
- 6 commissions, and authorities of the state. Except as provided in
- 7 paragraph (2), “public body” also means all cities, counties, cities

- 1 and counties, districts, authorities, agencies, boards, commissions,
- 2 and other entities, whether created by a general statute or a special
- 3 act, including, but not limited to, the following:
- 4 Agencies, boards, commissions, or entities constituted or
- 5 provided for under or pursuant to the Joint Exercise of Powers Act
- 6 (Chapter 5 (commencing with Section 6500) of Division 7 of Title
- 7 1 of the Government Code).
- 8 Affordable housing authorities.
- 9 Air pollution control districts of any kind.
- 10 Air quality management districts.
- 11 Airport districts.
- 12 Assessment districts, benefit assessment districts, and special
- 13 assessment districts of any public body.
- 14 Bridge and highway districts.
- 15 California water districts.
- 16 Citrus pest control districts.
- 17 City maintenance districts.
- 18 Community college districts.
- 19 Community development commissions in their capacity to act
- 20 as a housing authority for other community development purposes
- 21 of the jurisdiction in which the commission operates, except for
- 22 any action taken with respect to the commission’s authority to act
- 23 as a community redevelopment agency.
- 24 Community facilities districts.
- 25 Community rehabilitation districts.
- 26 Community revitalization and investment authorities.
- 27 Community services districts.
- 28 Conservancy districts.
- 29 Cotton pest abatement districts.
- 30 County boards of education.
- 31 County drainage districts.
- 32 County flood control and water districts.
- 33 County free library systems.
- 34 County maintenance districts.
- 35 County sanitation districts.
- 36 County service areas.
- 37 County transportation commissions.
- 38 County water agencies.
- 39 County water authorities.
- 40 County water districts.

- 1 County waterworks districts.
- 2 Department of Water Resources and other agencies acting
- 3 pursuant to Part 3 (commencing with Section 11100) of Division
- 4 6 of the Water Code.
- 5 Distribution districts of any public body.
- 6 Districts acting pursuant to Section 53395.82 of the Government
- 7 Code.
- 8 Drainage districts.
- 9 Enhanced infrastructure financing districts.
- 10 Fire protection districts.
- 11 Flood control and water conservation districts.
- 12 Flood control districts.
- 13 Garbage and refuse disposal districts.
- 14 Garbage disposal districts.
- 15 Geologic hazard abatement districts.
- 16 Harbor districts.
- 17 Harbor improvement districts.
- 18 Harbor, recreation, and conservation districts.
- 19 Health care authorities.
- 20 Highway districts.
- 21 Highway interchange districts.
- 22 Highway lighting districts.
- 23 Housing authorities.
- 24 Improvement districts or improvement areas of any public body.
- 25 Industrial development authorities.
- 26 Infrastructure financing districts.
- 27 Integrated financing districts.
- 28 Irrigation districts.
- 29 Joint highway districts.
- 30 Levee districts.
- 31 Library districts.
- 32 Library districts in unincorporated towns and villages.
- 33 Local agency formation commissions.
- 34 Local health care districts.
- 35 Local health districts.
- 36 Local hospital districts.
- 37 Local transportation authorities or commissions.
- 38 Maintenance districts.
- 39 Memorial districts.
- 40 Metropolitan transportation commissions.

- 1 Metropolitan water districts.
- 2 Mosquito abatement and vector control districts.
- 3 Multifamily improvement districts.
- 4 Municipal improvement districts.
- 5 Municipal utility districts.
- 6 Municipal water districts.
- 7 Nonprofit corporations.
- 8 Nonprofit public benefit corporations.
- 9 Open-space maintenance districts.
- 10 Parking and business improvement areas.
- 11 Parking authorities.
- 12 Parking districts.
- 13 Permanent road divisions.
- 14 Pest abatement districts.
- 15 Police protection districts.
- 16 Port districts.
- 17 Property and business improvement areas.
- 18 Protection districts.
- 19 Public cemetery districts.
- 20 Public utility districts.
- 21 Rapid transit districts.
- 22 Reclamation districts.
- 23 Recreation and park districts.
- 24 Regional justice facility financing agencies.
- 25 Regional park and open-space districts.
- 26 Regional planning districts.
- 27 Regional transportation commissions.
- 28 Resort improvement districts.
- 29 Resource conservation districts.
- 30 River port districts.
- 31 Road maintenance districts.
- 32 Sanitary districts.
- 33 School districts of any kind or class.
- 34 School facilities improvement districts.
- 35 Separation of grade districts.
- 36 Service authorities for freeway emergencies.
- 37 Sewer districts.
- 38 Sewer maintenance districts.
- 39 Small craft harbor districts.
- 40 Special municipal tax districts.

- 1 Stone and pome fruit pest control districts.
- 2 Storm drain maintenance districts.
- 3 Storm drainage districts.
- 4 Storm drainage maintenance districts.
- 5 Stormwater districts.
- 6 Toll tunnel authorities.
- 7 Traffic authorities.
- 8 Transit development boards.
- 9 Transit districts.
- 10 Unified and union school districts' public libraries.
- 11 Vehicle parking districts.
- 12 Water agencies.
- 13 Water authorities.
- 14 Water conservation districts.
- 15 Water districts.
- 16 Water replenishment districts.
- 17 Water storage districts.
- 18 Watermaster districts.
- 19 Wine grape pest and disease control districts.
- 20 Zones, improvement zones, or service zones of any public body.
- 21 (2) Notwithstanding paragraph (1), a "public body" does not
- 22 include any of the following:
 - 23 (A) A community redevelopment agency formed pursuant to
 - 24 the Community Redevelopment Law (Part 1 (commencing with
 - 25 Section 33000) of Division 24 of the Health and Safety Code).
 - 26 (B) A community development commission, with respect to its
 - 27 exercise of the powers of a community redevelopment agency.
 - 28 (C) A joint powers authority that includes a community
 - 29 redevelopment agency or a community development commission
 - 30 as a member, with respect to its exercise of the powers of a
 - 31 community redevelopment agency.
- 32 (3) "Public body" includes both of the following:
 - 33 (A) The successor agency to the Redevelopment Agency of the
 - 34 City and County of San Francisco, solely for the purpose of issuing
 - 35 bonds or incurring other indebtedness pursuant to the provisions
 - 36 of Section 34177.7 of the Health and Safety Code.
 - 37 (B) A successor agency, as defined in subdivision (j) of Section
 - 38 34171 of the Health and Safety Code, solely for the purpose of
 - 39 issuing bonds or incurring other indebtedness pursuant to the
 - 40 provisions of Section 34177.5 of the Health and Safety Code.

1 (b) “Bonds” means all instruments evidencing an indebtedness
 2 of a public body incurred or to be incurred for any public purpose,
 3 all leases, installment purchase agreements, or similar agreements
 4 wherein the obligor is one or more public bodies, all instruments
 5 evidencing the borrowing of money in anticipation of taxes,
 6 revenues, or other income of that body, all instruments payable
 7 from revenues or special funds of those public bodies, all
 8 certificates of participation evidencing interests in the leases,
 9 installment purchase agreements, or similar agreements, and all
 10 instruments funding, refunding, replacing, or amending any thereof
 11 or any indebtedness.

12 (c) “Hereafter” means any time subsequent to the effective date
 13 of this act.

14 (d) “Heretofore” means any time prior to the effective date of
 15 this act.

16 (e) “Now” means the effective date of this act.

17 SEC. 3. All public bodies heretofore organized or existing
 18 under any law, or under color of any law, are hereby declared to
 19 have been legally organized and to be legally functioning as those
 20 public bodies. Every public body, heretofore described, shall have
 21 all the rights, powers, and privileges, and be subject to all the duties
 22 and obligations, of those public bodies regularly formed pursuant
 23 to law.

24 SEC. 4. The boundaries of every public body as heretofore
 25 established, defined, or recorded, or as heretofore actually shown
 26 on maps or plats used by the assessor, are hereby confirmed,
 27 validated, and declared legally established.

28 SEC. 5. All acts and proceedings heretofore taken by any public
 29 body or bodies under any law, or under color of any law, for the
 30 annexation or inclusion of territory into those public bodies or for
 31 the annexation of those public bodies to any other public body or
 32 for the detachment, withdrawal, or exclusion of territory from any
 33 public body or for the consolidation, merger, or dissolution of any
 34 public bodies are hereby confirmed, validated, and declared legally
 35 effective. This shall include all acts and proceedings of the
 36 governing board of any public body and of any person, public
 37 officer, board, or agency heretofore done or taken upon the question
 38 of the annexation or inclusion or of the withdrawal or exclusion
 39 of territory or the consolidation, merger, or dissolution of those
 40 public bodies.

1 SEC. 6. (a) All acts and proceedings heretofore taken by or
2 on behalf of any public body under any law, or under color of any
3 law, for, or in connection with, the authorization, issuance, sale,
4 execution, delivery, or exchange of bonds of any public body for
5 any public purpose are hereby authorized, confirmed, validated,
6 and declared legally effective. This shall include all acts and
7 proceedings of the governing board of public bodies and of any
8 person, public officer, board, or agency heretofore done or taken
9 upon the question of the authorization, issuance, sale, execution,
10 delivery, or exchange of bonds.

11 (b) All bonds of, or relating to, any public body heretofore issued
12 shall be, in the form and manner issued and delivered, the legal,
13 valid, and binding obligations of the public body. All bonds of, or
14 relating to, any public body heretofore awarded and sold to a
15 purchaser and hereafter issued and delivered in accordance with
16 the contract of sale and other proceedings for the award and sale
17 shall be the legal, valid, and binding obligations of the public body.
18 All bonds of, or relating to, any public body heretofore authorized
19 to be issued by ordinance, resolution, order, or other action adopted
20 or taken by or on behalf of the public body and hereafter issued
21 and delivered in accordance with that authorization shall be the
22 legal, valid, and binding obligations of the public body. All bonds
23 of, or relating to, any public body heretofore authorized to be issued
24 at an election and hereafter issued and delivered in accordance
25 with that authorization shall be the legal, valid, and binding
26 obligations of the public body. Whenever an election has heretofore
27 been called for the purpose of submitting to the voters of any public
28 body the question of issuing bonds for any public purpose, those
29 bonds, if hereafter authorized by the required vote and in
30 accordance with the proceedings heretofore taken, and issued and
31 delivered in accordance with that authorization, shall be the legal,
32 valid, and binding obligations of the public body.

33 SEC. 7. (a) This act shall operate to supply legislative
34 authorization as may be necessary to authorize, confirm, and
35 validate any acts and proceedings heretofore taken pursuant to
36 authority the Legislature could have supplied or provided for in
37 the law under which those acts or proceedings were taken.

38 (b) This act shall be limited to the validation of acts and
39 proceedings to the extent that the same can be effectuated under
40 the California Constitution and the United States Constitution.

1 (c) This act shall not operate to authorize, confirm, validate, or
2 legalize any act, proceeding, or other matter being legally contested
3 or inquired into in any legal proceeding now pending and
4 undetermined or that is pending and undetermined during the
5 period of 30 days from and after the effective date of this act.

6 (d) This act shall not operate to authorize, confirm, validate, or
7 legalize any act, proceeding, or other matter that has heretofore
8 been determined in any legal proceeding to be illegal, void, or
9 ineffective.

10 (e) This act shall not operate to authorize, confirm, validate, or
11 legalize a contract between any public body and the United States.

12 SEC. 8. Any action or proceeding contesting the validity of
13 any action or proceeding heretofore taken under any law, or under
14 color of any law, for the formation, organization, or incorporation
15 of any public body, or for any annexation thereto, detachment or
16 exclusion therefrom, or other change of boundaries thereof, or for
17 the consolidation, merger, or dissolution of any public bodies, or
18 for, or in connection with, the authorization, issuance, sale,
19 execution, delivery, or exchange of bonds thereof upon any ground
20 involving any alleged defect or illegality not effectively validated
21 by the prior provisions of this act and not otherwise barred by any
22 statute of limitations or by laches shall be commenced within six
23 months of the effective date of this act, otherwise each and all of
24 those matters shall be held to be valid and in every respect legal
25 and incontestable. This act shall not extend the period allowed for
26 legal action beyond the period that it would be barred by any
27 presently existing valid statute of limitations.

28 SEC. 9. Nothing contained in this act shall be construed to
29 render the creation of any public body, or any change in the
30 boundaries of any public body, effective for purposes of assessment
31 or taxation unless the statement, together with the map or plat,
32 required to be filed pursuant to Chapter 8 (commencing with
33 Section 54900) of Part 1 of Division 2 of Title 5 of the Government
34 Code, is filed within the time and substantially in the manner
35 required by those sections.

36 SEC. 10. This act is an urgency statute necessary for the
37 immediate preservation of the public peace, health, or safety within
38 the meaning of Article IV of the Constitution and shall go into
39 immediate effect. The facts constituting the necessity are:

1 In order to validate the organization, boundaries, acts,
2 proceedings, and bonds of public bodies as soon as possible, it is
3 necessary that this act take immediate effect.

O

Introduced by Committee on Governance and Finance (Senators Caballero (Chair), Durazo, Hertzberg, Nielsen, and Wiener)

February 28, 2022

An act relating to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1491, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the Second Validating Act of 2022, 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.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the
2 Second Validating Act of 2022.

3 SEC. 2. As used in this act:

4 (a) "Public body" means all of the following:

5 (1) The state and all departments, agencies, boards,
6 commissions, and authorities of the state. Except as provided in
7 paragraph (2), "public body" also means all cities, counties, cities

- 1 and counties, districts, authorities, agencies, boards, commissions,
2 and other entities, whether created by a general statute or a special
3 act, including, but not limited to, the following:
- 4 Agencies, boards, commissions, or entities constituted or
 - 5 provided for under or pursuant to the Joint Exercise of Powers Act
 - 6 (Chapter 5 (commencing with Section 6500) of Division 7 of Title
 - 7 1 of the Government Code).
 - 8 Affordable housing authorities.
 - 9 Air pollution control districts of any kind.
 - 10 Air quality management districts.
 - 11 Airport districts.
 - 12 Assessment districts, benefit assessment districts, and special
 - 13 assessment districts of any public body.
 - 14 Bridge and highway districts.
 - 15 California water districts.
 - 16 Citrus pest control districts.
 - 17 City maintenance districts.
 - 18 Community college districts.
 - 19 Community development commissions in their capacity to act
 - 20 as a housing authority for other community development purposes
 - 21 of the jurisdiction in which the commission operates, except for
 - 22 any action taken with respect to the commission's authority to act
 - 23 as a community redevelopment agency.
 - 24 Community facilities districts.
 - 25 Community rehabilitation districts.
 - 26 Community revitalization and investment authorities.
 - 27 Community services districts.
 - 28 Conservancy districts.
 - 29 Cotton pest abatement districts.
 - 30 County boards of education.
 - 31 County drainage districts.
 - 32 County flood control and water districts.
 - 33 County free library systems.
 - 34 County maintenance districts.
 - 35 County sanitation districts.
 - 36 County service areas.
 - 37 County transportation commissions.
 - 38 County water agencies.
 - 39 County water authorities.
 - 40 County water districts.

- 1 County waterworks districts.
- 2 Department of Water Resources and other agencies acting
- 3 pursuant to Part 3 (commencing with Section 11100) of Division
- 4 6 of the Water Code.
- 5 Distribution districts of any public body.
- 6 Districts acting pursuant to Section 53395.82 of the Government
- 7 Code.
- 8 Drainage districts.
- 9 Enhanced infrastructure financing districts.
- 10 Fire protection districts.
- 11 Flood control and water conservation districts.
- 12 Flood control districts.
- 13 Garbage and refuse disposal districts.
- 14 Garbage disposal districts.
- 15 Geologic hazard abatement districts.
- 16 Harbor districts.
- 17 Harbor improvement districts.
- 18 Harbor, recreation, and conservation districts.
- 19 Health care authorities.
- 20 Highway districts.
- 21 Highway interchange districts.
- 22 Highway lighting districts.
- 23 Housing authorities.
- 24 Improvement districts or improvement areas of any public body.
- 25 Industrial development authorities.
- 26 Infrastructure financing districts.
- 27 Integrated financing districts.
- 28 Irrigation districts.
- 29 Joint highway districts.
- 30 Levee districts.
- 31 Library districts.
- 32 Library districts in unincorporated towns and villages.
- 33 Local agency formation commissions.
- 34 Local health care districts.
- 35 Local health districts.
- 36 Local hospital districts.
- 37 Local transportation authorities or commissions.
- 38 Maintenance districts.
- 39 Memorial districts.
- 40 Metropolitan transportation commissions.

- 1 Metropolitan water districts.
- 2 Mosquito abatement and vector control districts.
- 3 Multifamily improvement districts.
- 4 Municipal improvement districts.
- 5 Municipal utility districts.
- 6 Municipal water districts.
- 7 Nonprofit corporations.
- 8 Nonprofit public benefit corporations.
- 9 Open-space maintenance districts.
- 10 Parking and business improvement areas.
- 11 Parking authorities.
- 12 Parking districts.
- 13 Permanent road divisions.
- 14 Pest abatement districts.
- 15 Police protection districts.
- 16 Port districts.
- 17 Property and business improvement areas.
- 18 Protection districts.
- 19 Public cemetery districts.
- 20 Public utility districts.
- 21 Rapid transit districts.
- 22 Reclamation districts.
- 23 Recreation and park districts.
- 24 Regional justice facility financing agencies.
- 25 Regional park and open-space districts.
- 26 Regional planning districts.
- 27 Regional transportation commissions.
- 28 Resort improvement districts.
- 29 Resource conservation districts.
- 30 River port districts.
- 31 Road maintenance districts.
- 32 Sanitary districts.
- 33 School districts of any kind or class.
- 34 School facilities improvement districts.
- 35 Separation of grade districts.
- 36 Service authorities for freeway emergencies.
- 37 Sewer districts.
- 38 Sewer maintenance districts.
- 39 Small craft harbor districts.
- 40 Special municipal tax districts.

- 1 Stone and pome fruit pest control districts.
- 2 Storm drain maintenance districts.
- 3 Storm drainage districts.
- 4 Storm drainage maintenance districts.
- 5 Storm water districts.
- 6 Toll tunnel authorities.
- 7 Traffic authorities.
- 8 Transit development boards.
- 9 Transit districts.
- 10 Unified and union school districts' public libraries.
- 11 Vehicle parking districts.
- 12 Water agencies.
- 13 Water authorities.
- 14 Water conservation districts.
- 15 Water districts.
- 16 Water replenishment districts.
- 17 Water storage districts.
- 18 Watermaster districts.
- 19 Wine grape pest and disease control districts.
- 20 Zones, improvement zones, or service zones of any public body.
- 21 (2) Notwithstanding paragraph (1), a "public body" does not
- 22 include any of the following:
 - 23 (A) A community redevelopment agency formed pursuant to
 - 24 the Community Redevelopment Law (Part 1 (commencing with
 - 25 Section 33000) of Division 24 of the Health and Safety Code).
 - 26 (B) A community development commission, with respect to its
 - 27 exercise of the powers of a community redevelopment agency.
 - 28 (C) A joint powers authority that includes a community
 - 29 redevelopment agency or a community development commission
 - 30 as a member, with respect to its exercise of the powers of a
 - 31 community redevelopment agency.
- 32 (3) "Public body" includes both of the following:
 - 33 (A) The successor agency to the Redevelopment Agency of the
 - 34 City and County of San Francisco, solely for the purpose of issuing
 - 35 bonds or incurring other indebtedness pursuant to the provisions
 - 36 of Section 34177.7 of the Health and Safety Code.
 - 37 (B) A successor agency, as defined in subdivision (j) of Section
 - 38 34171 of the Health and Safety Code, solely for the purpose of
 - 39 issuing bonds or incurring other indebtedness pursuant to the
 - 40 provisions of Section 34177.5 of the Health and Safety Code.

1 (b) “Bonds” means all instruments evidencing an indebtedness
 2 of a public body incurred or to be incurred for any public purpose,
 3 all leases, installment purchase agreements, or similar agreements
 4 wherein the obligor is one or more public bodies, all instruments
 5 evidencing the borrowing of money in anticipation of taxes,
 6 revenues, or other income of that body, all instruments payable
 7 from revenues or special funds of those public bodies, all
 8 certificates of participation evidencing interests in the leases,
 9 installment purchase agreements, or similar agreements, and all
 10 instruments funding, refunding, replacing, or amending any thereof
 11 or any indebtedness.

12 (c) “Hereafter” means any time subsequent to the effective date
 13 of this act.

14 (d) “Heretofore” means any time prior to the effective date of
 15 this act.

16 (e) “Now” means the effective date of this act.

17 SEC. 3. All public bodies heretofore organized or existing
 18 under any law, or under color of any law, are hereby declared to
 19 have been legally organized and to be legally functioning as those
 20 public bodies. Every public body, heretofore described, shall have
 21 all the rights, powers, and privileges, and be subject to all the duties
 22 and obligations, of those public bodies regularly formed pursuant
 23 to law.

24 SEC. 4. The boundaries of every public body as heretofore
 25 established, defined, or recorded, or as heretofore actually shown
 26 on maps or plats used by the assessor, are hereby confirmed,
 27 validated, and declared legally established.

28 SEC. 5. All acts and proceedings heretofore taken by any public
 29 body or bodies under any law, or under color of any law, for the
 30 annexation or inclusion of territory into those public bodies or for
 31 the annexation of those public bodies to any other public body or
 32 for the detachment, withdrawal, or exclusion of territory from any
 33 public body or for the consolidation, merger, or dissolution of any
 34 public bodies are hereby confirmed, validated, and declared legally
 35 effective. This shall include all acts and proceedings of the
 36 governing board of any public body and of any person, public
 37 officer, board, or agency heretofore done or taken upon the question
 38 of the annexation or inclusion or of the withdrawal or exclusion
 39 of territory or the consolidation, merger, or dissolution of those
 40 public bodies.

1 SEC. 6. (a) All acts and proceedings heretofore taken by or
2 on behalf of any public body under any law, or under color of any
3 law, for, or in connection with, the authorization, issuance, sale,
4 execution, delivery, or exchange of bonds of any public body for
5 any public purpose are hereby authorized, confirmed, validated,
6 and declared legally effective. This shall include all acts and
7 proceedings of the governing board of public bodies and of any
8 person, public officer, board, or agency heretofore done or taken
9 upon the question of the authorization, issuance, sale, execution,
10 delivery, or exchange of bonds.

11 (b) All bonds of, or relating to, any public body heretofore issued
12 shall be, in the form and manner issued and delivered, the legal,
13 valid, and binding obligations of the public body. All bonds of, or
14 relating to, any public body heretofore awarded and sold to a
15 purchaser and hereafter issued and delivered in accordance with
16 the contract of sale and other proceedings for the award and sale
17 shall be the legal, valid, and binding obligations of the public body.
18 All bonds of, or relating to, any public body heretofore authorized
19 to be issued by ordinance, resolution, order, or other action adopted
20 or taken by or on behalf of the public body and hereafter issued
21 and delivered in accordance with that authorization shall be the
22 legal, valid, and binding obligations of the public body. All bonds
23 of, or relating to, any public body heretofore authorized to be issued
24 at an election and hereafter issued and delivered in accordance
25 with that authorization shall be the legal, valid, and binding
26 obligations of the public body. Whenever an election has heretofore
27 been called for the purpose of submitting to the voters of any public
28 body the question of issuing bonds for any public purpose, those
29 bonds, if hereafter authorized by the required vote and in
30 accordance with the proceedings heretofore taken, and issued and
31 delivered in accordance with that authorization, shall be the legal,
32 valid, and binding obligations of the public body.

33 SEC. 7. (a) This act shall operate to supply legislative
34 authorization as may be necessary to authorize, confirm, and
35 validate any acts and proceedings heretofore taken pursuant to
36 authority the Legislature could have supplied or provided for in
37 the law under which those acts or proceedings were taken.

38 (b) This act shall be limited to the validation of acts and
39 proceedings to the extent that the same can be effectuated under
40 the California Constitution and the United States Constitution.

1 (c) This act shall not operate to authorize, confirm, validate, or
2 legalize any act, proceeding, or other matter being legally contested
3 or inquired into in any legal proceeding now pending and
4 undetermined or that is pending and undetermined during the
5 period of 30 days from and after the effective date of this act.

6 (d) This act shall not operate to authorize, confirm, validate, or
7 legalize any act, proceeding, or other matter that has heretofore
8 been determined in any legal proceeding to be illegal, void, or
9 ineffective.

10 (e) This act shall not operate to authorize, confirm, validate, or
11 legalize a contract between any public body and the United States.

12 SEC. 8. Any action or proceeding contesting the validity of
13 any action or proceeding heretofore taken under any law, or under
14 color of any law, for the formation, organization, or incorporation
15 of any public body, or for any annexation thereto, detachment or
16 exclusion therefrom, or other change of boundaries thereof, or for
17 the consolidation, merger, or dissolution of any public bodies, or
18 for, or in connection with, the authorization, issuance, sale,
19 execution, delivery, or exchange of bonds thereof upon any ground
20 involving any alleged defect or illegality not effectively validated
21 by the prior provisions of this act and not otherwise barred by any
22 statute of limitations or by laches shall be commenced within six
23 months of the effective date of this act, otherwise each and all of
24 those matters shall be held to be valid and in every respect legal
25 and incontestable. This act shall not extend the period allowed for
26 legal action beyond the period that it would be barred by any
27 presently existing valid statute of limitations.

28 SEC. 9. Nothing contained in this act shall be construed to
29 render the creation of any public body, or any change in the
30 boundaries of any public body, effective for purposes of assessment
31 or taxation unless the statement, together with the map or plat,
32 required to be filed pursuant to Chapter 8 (commencing with
33 Section 54900) of Part 1 of Division 2 of Title 5 of the Government
34 Code, is filed within the time and substantially in the manner
35 required by those sections.

36 SEC. 10. This act shall become operative on September 1,
37 2022.

38 SEC. 11. This act is an urgency statute necessary for the
39 immediate preservation of the public peace, health, or safety within

1 the meaning of Article IV of the Constitution and shall go into
2 immediate effect. The facts constituting the necessity are:
3 In order to validate the organization, boundaries, acts,
4 proceedings, and bonds of public bodies as soon as possible, it is
5 necessary that this act take immediate effect.

O

Introduced by Committee on Governance and Finance (Senators Caballero (Chair), Durazo, Hertzberg, Nielsen, and Wiener)

February 28, 2022

An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, and to provide limitations of time in which actions may be commenced.

LEGISLATIVE COUNSEL'S DIGEST

SB 1492, as introduced, Committee on Governance and Finance. Validations.

This bill would enact the Third Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Third Validating Act of 2022.
- 3 SEC. 2. As used in this act:
- 4 (a) "Public body" means all of the following:
- 5 (1) The state and all departments, agencies, boards,
- 6 commissions, and authorities of the state. Except as provided in
- 7 paragraph (2), "public body" also means all cities, counties, cities
- 8 and counties, districts, authorities, agencies, boards, commissions,
- 9 and other entities, whether created by a general statute or a special
- 10 act, including, but not limited to, the following:

- 1 Agencies, boards, commissions, or entities constituted or
- 2 provided for under or pursuant to the Joint Exercise of Powers Act
- 3 (Chapter 5 (commencing with Section 6500) of Division 7 of Title
- 4 1 of the Government Code).
- 5 Affordable housing authorities.
- 6 Air pollution control districts of any kind.
- 7 Air quality management districts.
- 8 Airport districts.
- 9 Assessment districts, benefit assessment districts, and special
- 10 assessment districts of any public body.
- 11 Bridge and highway districts.
- 12 California water districts.
- 13 Citrus pest control districts.
- 14 City maintenance districts.
- 15 Community college districts.
- 16 Community development commissions in their capacity to act
- 17 as a housing authority for other community development purposes
- 18 of the jurisdiction in which the commission operates, except for
- 19 any action taken with respect to the commission’s authority to act
- 20 as a community redevelopment agency.
- 21 Community facilities districts.
- 22 Community rehabilitation districts.
- 23 Community revitalization and investment authorities.
- 24 Community services districts.
- 25 Conservancy districts.
- 26 Cotton pest abatement districts.
- 27 County boards of education.
- 28 County drainage districts.
- 29 County flood control and water districts.
- 30 County free library systems.
- 31 County maintenance districts.
- 32 County sanitation districts.
- 33 County service areas.
- 34 County transportation commissions.
- 35 County water agencies.
- 36 County water authorities.
- 37 County water districts.
- 38 County waterworks districts.

- 1 Department of Water Resources and other agencies acting
- 2 pursuant to Part 3 (commencing with Section 11100) of Division
- 3 6 of the Water Code.
- 4 Distribution districts of any public body.
- 5 Districts acting pursuant to Section 53395.82 of the Government
- 6 Code.
- 7 Drainage districts.
- 8 Enhanced infrastructure financing districts.
- 9 Fire protection districts.
- 10 Flood control and water conservation districts.
- 11 Flood control districts.
- 12 Garbage and refuse disposal districts.
- 13 Garbage disposal districts.
- 14 Geologic hazard abatement districts.
- 15 Harbor districts.
- 16 Harbor improvement districts.
- 17 Harbor, recreation, and conservation districts.
- 18 Health care authorities.
- 19 Highway districts.
- 20 Highway interchange districts.
- 21 Highway lighting districts.
- 22 Housing authorities.
- 23 Improvement districts or improvement areas of any public body.
- 24 Industrial development authorities.
- 25 Infrastructure financing districts.
- 26 Integrated financing districts.
- 27 Irrigation districts.
- 28 Joint highway districts.
- 29 Levee districts.
- 30 Library districts.
- 31 Library districts in unincorporated towns and villages.
- 32 Local agency formation commissions.
- 33 Local health care districts.
- 34 Local health districts.
- 35 Local hospital districts.
- 36 Local transportation authorities or commissions.
- 37 Maintenance districts.
- 38 Memorial districts.
- 39 Metropolitan transportation commissions.
- 40 Metropolitan water districts.

- 1 Mosquito abatement and vector control districts.
- 2 Multifamily improvement districts.
- 3 Municipal improvement districts.
- 4 Municipal utility districts.
- 5 Municipal water districts.
- 6 Nonprofit corporations.
- 7 Nonprofit public benefit corporations.
- 8 Open-space maintenance districts.
- 9 Parking and business improvement areas.
- 10 Parking authorities.
- 11 Parking districts.
- 12 Permanent road divisions.
- 13 Pest abatement districts.
- 14 Police protection districts.
- 15 Port districts.
- 16 Property and business improvement areas.
- 17 Protection districts.
- 18 Public cemetery districts.
- 19 Public utility districts.
- 20 Rapid transit districts.
- 21 Reclamation districts.
- 22 Recreation and park districts.
- 23 Regional justice facility financing agencies.
- 24 Regional park and open-space districts.
- 25 Regional planning districts.
- 26 Regional transportation commissions.
- 27 Resort improvement districts.
- 28 Resource conservation districts.
- 29 River port districts.
- 30 Road maintenance districts.
- 31 Sanitary districts.
- 32 School districts of any kind or class.
- 33 School facilities improvement districts.
- 34 Separation of grade districts.
- 35 Service authorities for freeway emergencies.
- 36 Sewer districts.
- 37 Sewer maintenance districts.
- 38 Small craft harbor districts.
- 39 Special municipal tax districts.
- 40 Stone and pome fruit pest control districts.

- 1 Storm drain maintenance districts.
- 2 Storm drainage districts.
- 3 Storm drainage maintenance districts.
- 4 Storm water districts.
- 5 Toll tunnel authorities.
- 6 Traffic authorities.
- 7 Transit development boards.
- 8 Transit districts.
- 9 Unified and union school districts’ public libraries.
- 10 Vehicle parking districts.
- 11 Water agencies.
- 12 Water authorities.
- 13 Water conservation districts.
- 14 Water districts.
- 15 Water replenishment districts.
- 16 Water storage districts.
- 17 Watermaster districts.
- 18 Wine grape pest and disease control districts.
- 19 Zones, improvement zones, or service zones of any public body.
- 20 (2) Notwithstanding paragraph (1), a “public body” does not
- 21 include any of the following:
 - 22 (A) A community redevelopment agency formed pursuant to
 - 23 the Community Redevelopment Law (Part 1 (commencing with
 - 24 Section 33000) of Division 24 of the Health and Safety Code).
 - 25 (B) A community development commission, with respect to its
 - 26 exercise of the powers of a community redevelopment agency.
 - 27 (C) A joint powers authority that includes a community
 - 28 redevelopment agency or a community development commission
 - 29 as a member, with respect to its exercise of the powers of a
 - 30 community redevelopment agency.
- 31 (3) “Public body” includes both of the following:
 - 32 (A) The successor agency to the Redevelopment Agency of the
 - 33 City and County of San Francisco, solely for the purpose of issuing
 - 34 bonds or incurring other indebtedness pursuant to the provisions
 - 35 of Section 34177.7 of the Health and Safety Code.
 - 36 (B) A successor agency, as defined in subdivision (j) of Section
 - 37 34171 of the Health and Safety Code, solely for the purpose of
 - 38 issuing bonds or incurring other indebtedness pursuant to the
 - 39 provisions of Section 34177.5 of the Health and Safety Code.

1 (b) “Bonds” means all instruments evidencing an indebtedness
 2 of a public body incurred or to be incurred for any public purpose,
 3 all leases, installment purchase agreements, or similar agreements
 4 wherein the obligor is one or more public bodies, all instruments
 5 evidencing the borrowing of money in anticipation of taxes,
 6 revenues, or other income of that body, all instruments payable
 7 from revenues or special funds of those public bodies, all
 8 certificates of participation evidencing interests in the leases,
 9 installment purchase agreements, or similar agreements, and all
 10 instruments funding, refunding, replacing, or amending any thereof
 11 or any indebtedness.

12 (c) “Hereafter” means any time subsequent to the effective date
 13 of this act.

14 (d) “Heretofore” means any time prior to the effective date of
 15 this act.

16 (e) “Now” means the effective date of this act.

17 SEC. 3. All public bodies heretofore organized or existing
 18 under any law, or under color of any law, are hereby declared to
 19 have been legally organized and to be legally functioning as those
 20 public bodies. Every public body, heretofore described, shall have
 21 all the rights, powers, and privileges, and be subject to all the duties
 22 and obligations, of those public bodies regularly formed pursuant
 23 to law.

24 SEC. 4. The boundaries of every public body as heretofore
 25 established, defined, or recorded, or as heretofore actually shown
 26 on maps or plats used by the assessor, are hereby confirmed,
 27 validated, and declared legally established.

28 SEC. 5. All acts and proceedings heretofore taken by any public
 29 body or bodies under any law, or under color of any law, for the
 30 annexation or inclusion of territory into those public bodies or for
 31 the annexation of those public bodies to any other public body or
 32 for the detachment, withdrawal, or exclusion of territory from any
 33 public body or for the consolidation, merger, or dissolution of any
 34 public bodies are hereby confirmed, validated, and declared legally
 35 effective. This shall include all acts and proceedings of the
 36 governing board of any public body and of any person, public
 37 officer, board, or agency heretofore done or taken upon the question
 38 of the annexation or inclusion or of the withdrawal or exclusion
 39 of territory or the consolidation, merger, or dissolution of those
 40 public bodies.

1 SEC. 6. (a) All acts and proceedings heretofore taken by or
2 on behalf of any public body under any law, or under color of any
3 law, for, or in connection with, the authorization, issuance, sale,
4 execution, delivery, or exchange of bonds of any public body for
5 any public purpose are hereby authorized, confirmed, validated,
6 and declared legally effective. This shall include all acts and
7 proceedings of the governing board of public bodies and of any
8 person, public officer, board, or agency heretofore done or taken
9 upon the question of the authorization, issuance, sale, execution,
10 delivery, or exchange of bonds.

11 (b) All bonds of, or relating to, any public body heretofore issued
12 shall be, in the form and manner issued and delivered, the legal,
13 valid, and binding obligations of the public body. All bonds of, or
14 relating to, any public body heretofore awarded and sold to a
15 purchaser and hereafter issued and delivered in accordance with
16 the contract of sale and other proceedings for the award and sale
17 shall be the legal, valid, and binding obligations of the public body.
18 All bonds of, or relating to, any public body heretofore authorized
19 to be issued by ordinance, resolution, order, or other action adopted
20 or taken by or on behalf of the public body and hereafter issued
21 and delivered in accordance with that authorization shall be the
22 legal, valid, and binding obligations of the public body. All bonds
23 of, or relating to, any public body heretofore authorized to be issued
24 at an election and hereafter issued and delivered in accordance
25 with that authorization shall be the legal, valid, and binding
26 obligations of the public body. Whenever an election has heretofore
27 been called for the purpose of submitting to the voters of any public
28 body the question of issuing bonds for any public purpose, those
29 bonds, if hereafter authorized by the required vote and in
30 accordance with the proceedings heretofore taken, and issued and
31 delivered in accordance with that authorization, shall be the legal,
32 valid, and binding obligations of the public body.

33 SEC. 7. (a) This act shall operate to supply legislative
34 authorization as may be necessary to authorize, confirm, and
35 validate any acts and proceedings heretofore taken pursuant to
36 authority the Legislature could have supplied or provided for in
37 the law under which those acts or proceedings were taken.

38 (b) This act shall be limited to the validation of acts and
39 proceedings to the extent that the same can be effectuated under
40 the California Constitution and the United States Constitution.

1 (c) This act shall not operate to authorize, confirm, validate, or
2 legalize any act, proceeding, or other matter being legally contested
3 or inquired into in any legal proceeding now pending and
4 undetermined or that is pending and undetermined during the
5 period of 30 days from and after the effective date of this act.

6 (d) This act shall not operate to authorize, confirm, validate, or
7 legalize any act, proceeding, or other matter that has heretofore
8 been determined in any legal proceeding to be illegal, void, or
9 ineffective.

10 (e) This act shall not operate to authorize, confirm, validate, or
11 legalize a contract between any public body and the United States.

12 SEC. 8. Any action or proceeding contesting the validity of
13 any action or proceeding heretofore taken under any law, or under
14 color of any law, for the formation, organization, or incorporation
15 of any public body, or for any annexation thereto, detachment or
16 exclusion therefrom, or other change of boundaries thereof, or for
17 the consolidation, merger, or dissolution of any public bodies, or
18 for, or in connection with, the authorization, issuance, sale,
19 execution, delivery, or exchange of bonds thereof upon any ground
20 involving any alleged defect or illegality not effectively validated
21 by the prior provisions of this act and not otherwise barred by any
22 statute of limitations or by laches shall be commenced within six
23 months of the effective date of this act, otherwise each and all of
24 those matters shall be held to be valid and in every respect legal
25 and incontestable. This act shall not extend the period allowed for
26 legal action beyond the period that it would be barred by any
27 presently existing valid statute of limitations.

28 SEC. 9. Nothing contained in this act shall be construed to
29 render the creation of any public body, or any change in the
30 boundaries of any public body, effective for purposes of assessment
31 or taxation unless the statement, together with the map or plat,
32 required to be filed pursuant to Chapter 8 (commencing with
33 Section 54900) of Part 1 of Division 2 of Title 5 of the Government
34 Code, is filed within the time and substantially in the manner
35 required by those sections.

O

ASSEMBLY BILL

No. 1640

**Introduced by Assembly Members Ward, Bennett, Mullin, and
Quirk
(Coauthors: Assembly Members Berman and Eduardo Garcia)**

January 12, 2022

An act to add Sections 71133, 71134, 71135, and 71136 to the Public Resources Code, relating to climate change.

LEGISLATIVE COUNSEL'S DIGEST

AB 1640, as introduced, Ward. Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Existing law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Existing law establishes the Office of Planning and Research in state government in the Governor's office. Existing law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed.

This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

The bill would require a regional climate network to develop a regional climate adaptation and resilience action plan and to submit the plan to the office for review, comments, and certification. The bill would require, on or before July 1, 2023, the office, through the program, to develop and publish on its internet website guidelines on how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks.

The bill would require the office, through the program, to provide technical assistance to regions seeking to establish a regional climate network, facilitate coordination between regions, and encourage regions to incorporate as many eligible entities into one network as feasible.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares all of the
2 following:

3 (1) California communities are already experiencing the harmful
4 effects of climate change, such as increased air pollution, increasing
5 sea level rise, coastal degradation, extreme drought, extreme heat,
6 extreme weather events, flooding, wildfires, negative effects to
7 agriculture, and invasive species spread, which threaten public
8 health and safety, economic stability, and the resources and
9 ecosystem services that Californians rely upon.

10 (2) Due to the scale of climate change, landscape-level
11 interventions and effective regional coordination across
12 jurisdictional boundaries, sectors, and disciplines are critical and
13 necessary to safeguard California communities from the worsening
14 impacts of climate change.

15 (3) The rapidly evolving and uncertain nature of climate change,
16 as well as limited resources and local government staff capacity
17 to advance climate change adaptation and mitigation, requires
18 ongoing efforts and mechanisms for education, best practice
19 sharing, research, coordination, and technical assistance to support
20 the identification and implementation of adaptation and mitigation
21 plans and projects.

22 (4) Regional adaptation collaboratives have already formed
23 across the state to bring local governments and stakeholders
24 together to share information, coordinate climate adaptation

1 activities in their regions, and share best practices and coordinate
2 with other regions due to varying priorities for each region of the
3 state.

4 (b) It is the intent of the Legislature to do both of the following:

5 (1) Foster regional-scale climate adaptation and resilience that
6 prioritizes the most vulnerable communities by encouraging
7 collaboration among local, regional, and state entities on adaptation
8 and resilience solutions in a way that promotes coordination within
9 each region of the state, promotes coordination among neighboring
10 regions, and integrates planning, investment, and hazard mitigation
11 efforts.

12 (2) Support the development of regional climate adaptation and
13 resilience plans that build upon and enhance local climate
14 adaptation actions to achieve just and equitable resilience for the
15 most vulnerable communities, public health, infrastructure, natural
16 resources, and California’s economy.

17 SEC. 2. Section 71133 is added to the Public Resources Code,
18 to read:

19 71133. For purposes of this section and Sections 71134 to
20 71136, inclusive, the following definitions apply:

21 (a) “Eligible entity” means a local, regional, tribal, or state
22 organization, including, but not limited to, a city, county, special
23 district, council of government, metropolitan planning organization,
24 joint powers authority, local agency formation commission,
25 regional climate collaborative, as defined in subdivision (b) of
26 Section 71130, regional member of the Alliance of Regional
27 Collaboratives for Climate Adaptation, nonprofit organization,
28 community-based organization, tribal government, school district,
29 and higher education institution.

30 (b) “Regional climate network” means a group of eligible
31 entities whose jurisdictions are located in the same region, and
32 whose combined jurisdiction enhances their effectiveness in
33 responding to climate risks. A regional climate network does not
34 need to cover multiple counties if the county within the network
35 has a population of over 2,000,000 residents.

36 (c) “Under-resourced community” has the same meaning as in
37 subdivision (g) of Section 71130.

38 (d) “Vulnerable community” means a community with
39 heightened risk and increased sensitivity to climate change that
40 has less capacity and fewer resources to cope with, adapt to, or

1 recover from climate impacts, in accordance with the Integrated
2 Climate Adaptation and Resiliency Program’s Technical Advisory
3 Council adopted definition and the Federal Emergency
4 Management Administration’s National Risk Index for Natural
5 Hazards.

6 SEC. 3. Section 71134 is added to the Public Resources Code,
7 to read:

8 71134. On or before July 1, 2023, the Office of Planning and
9 Research, through the Integrated Climate Adaptation and
10 Resiliency Program, shall do all of the following:

11 (a) Develop and publish on its internet website guidelines on
12 both of the following subjects:

13 (1) How eligible entities may establish regional climate
14 networks. The guidelines shall account for differences in regional
15 needs and priorities, ensure applicability and relevance to all
16 regions throughout California, including under-resourced
17 communities, and provide guidance to eligible entities for
18 determining the structure of the regional climate networks in their
19 regions.

20 (2) How governing boards may be established within regional
21 climate networks, including how to ensure equity in representation
22 of eligible entities.

23 (b) Publish on its internet website the draft guidelines for public
24 review and comment at least 60 days before its adoption of the
25 guidelines.

26 (c) Consult with other relevant state agencies in developing the
27 guidelines pursuant to this section.

28 SEC. 4. Section 71135 is added to the Public Resources Code,
29 to read:

30 71135. (a) Eligible entities may establish and participate in a
31 regional climate network. Eligible entities shall notify the Office
32 of Planning and Research in writing before the establishment of a
33 regional climate network, and shall notify the Office of Planning
34 and Research in writing of any changes in the membership of that
35 network. As part of this written notice, the proposed or established
36 regional climate network shall inform the Office of Planning and
37 Research of each eligible entity’s role within the network.

38 (b) Membership in a regional climate network may be modified
39 at any time consistent with this section.

1 (c) The Office of Planning and Research, through the Integrated
2 Climate Adaptation and Resiliency Program, shall provide technical
3 assistance to regions seeking to establish a regional climate
4 network, facilitate coordination between regions, and encourage
5 regions to incorporate as many eligible entities into one network
6 as feasible, taking into consideration each region's unique
7 vulnerabilities and land use challenges. The Office of Planning
8 and Research shall also encourage the inclusion of eligible entities
9 with land use and hazard mitigation planning authority into regional
10 climate networks.

11 (d) A regional climate network shall develop a regional climate
12 adaptation and resilience action plan and submit the plan to the
13 Office of Planning and Research for review, comments, and
14 certification.

15 SEC. 5. Section 71136 is added to the Public Resources Code,
16 to read:

17 71136. (a) A regional climate network may engage in activities
18 to address climate change that include, but are not limited to, any
19 of the following:

20 (1) Supporting the development of and updates to regional
21 climate adaptation and resilience action plans, strategies, and
22 programs, including performing qualitative and quantitative
23 research, compiling and hosting relevant data and resources,
24 developing tools, and providing technical assistance.

25 (2) Supporting the implementation of regional climate adaptation
26 and resilience action plans, hazard and greenhouse gas emissions
27 mitigation strategies, and programs, including evaluating funding
28 and financing mechanisms, monitoring and evaluating progress,
29 and providing technical assistance.

30 (3) Facilitating the exchange of best practices, policies, projects,
31 and strategies among eligible entities and stakeholders, and
32 between regions on climate adaptation, hazard mitigation, and
33 greenhouse gas emissions mitigation.

34 (4) Conducting activities to support ongoing coordination and
35 capacity building among eligible entities, including convening
36 working groups, organizing training opportunities, and creating
37 mechanisms for collaboration.

38 (5) Conducting educational activities for eligible entities,
39 decisionmakers, key stakeholders, and the general public, to

1 increase their understanding of climate change risks and adaptation
2 solutions.

3 (6) Administering grants to eligible entities.

4 (b) Regional climate networks shall have, and may exercise, all
5 powers, expressed or implied, that are necessary to carry out the
6 intent and purposes of this part, including, but not limited to, the
7 power to do all of the following:

8 (1) Apply for and receive grants from federal and state agencies.

9 (2) Enter into and perform all necessary contracts.

10 (3) Enter into joint power agreements pursuant to the Joint
11 Exercise of Powers Act (Chapter 5 (commencing with Section
12 6500) of Division 7 of Title 1 of the Government Code).

13 (4) Hire staff, define their qualifications and duties, and provide
14 a schedule of compensation for the performance of their duties.

15 (c) A regional climate network may establish distinct governance
16 procedures and policies that acknowledge regional conditions and
17 accommodate regional needs to administer activities pursuant to
18 this section. Governance procedures and policies shall include
19 processes for eligible entities to participate and strategies for public
20 engagement to ensure a multistakeholder process that incorporates
21 and supports input from vulnerable communities and
22 under-resourced communities, and be consistent with guidelines
23 described in subdivision (a) of Section 71134.

24 (d) A regional climate network shall comply with requirements
25 of the Ralph M. Brown Act (Chapter 9 (commencing with Section
26 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

27 (e) The Office of Planning and Research may request that
28 established regional climate networks submit a biennial report to
29 the Office of Planning and Research that includes, but need not
30 be limited to, all of the following:

31 (1) The participating eligible entities of the regional climate
32 network.

33 (2) An outline of all activities and the outcome of each activity.

34 (3) Actions taken by the regional climate network.

35 (4) An accounting of the administration of, and expenditures
36 made by, the regional climate networks.

- 1 (5) Recommendations to state agencies on opportunities to
- 2 support regional climate adaptation and mitigation planning,
- 3 investment, and implementation.

O



CHRISTOPHER M. WARD

ASSEMBLYMEMBER FOR THE 78TH DISTRICT

PHONE: (916) 319-2078 WEBSITE: <https://a78.asmdc.org/> EMAIL: Assemblymember.Ward@assembly.ca.gov

Fact Sheet: AB 1640 (Ward, Bennett, Mullin & Quirk) Regional Climate Networks

PROPOSED BILL

Assembly Bill (AB) 1640 requires, on or before July 1, 2023, the Office of Planning and Research (OPR) to develop and publish on its website guidelines regarding how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks.

BACKGROUND

Climate change will have grave impacts on California over the coming decades. Communities are already experiencing its effects, such as increasing sea level rise, coastal degradation, extreme drought, extreme heat, extreme weather events, flooding, and wildfires. These threaten public health and safety, economic stability, and the resources and ecosystems that make California the fifth largest economy in the world.

Now is the time for the state to help local agencies and entities address the current and future effects of climate change by creating regional climate networks. These networks will support local efforts to alleviate some of the challenges local communities face through planning and collaborating with other regional authorities, local decision-making, and facilitating funding and project implementation to reach regional goals.

Regions that begin planning now will have the best options for effective and cost-efficient climate change adaptation projects. The longer communities wait, the greater the

costs of the impacts and the costs to react to those impacts.

Currently, cities, counties, and other local entities are working to achieve SB 32 and AB 32 goals through Climate Action Plans.

In December 2019, the LAO released a report entitled, “Preparing for Rising Seas: How the State Can Help Support Local Coastal Adaptation Efforts.” According to the report, “in the coming years the state will need to broaden its focus from efforts to mitigate the effects of climate change to also undertake initiatives centered on how communities can adapt to the approaching impacts.” The report recommends the Legislature support climate adaptation work on a regional scale by establishing collaborative groups throughout the state to plan together and learn from each other how to respond to the effects of climate change.

In February 2020, the LAO released a report on the Governor’s major 2020-21 budget proposals related to climate change, which identifies the administration’s Climate Resilience Principles. These principles include, “Employ adaptive and flexible governance approaches by utilizing collaborative partnerships across scales and between sectors to accelerate effective problem solving. Promote mitigation and adaptation actions at the regional and landscape scales.”

Existing regional climate collaboratives across the state operate with varying levels of community and municipal participation, and oftentimes without dedicated funding or staff to develop regional climate adaptation plans or coordinate on climate mitigation efforts.

ATTACHMENT X

In 2021, AB 897 was introduced that would have established regional climate networks and the development of guidelines on how a regional climate network may develop a regional climate adaptation and resilience action plan. Elements of AB 897 that included the development of a regional climate adaptation and resilience action plan was included in Senate Bill (SB) 170, Chapter 240, Statutes of 2021 as part of the Climate Resiliency Budget Trailer bill. As a result, AB 897 was held in the Senate Appropriations Committee and the establishment of regional climate networks did not proceed.

SOLUTION

AB 1640 requires OPR, through the Integrated Climate Adaptation and Resiliency Program (ICARP), to develop and publish how eligible entities may establish regional climate networks and how governing boards may be established within each regional climate network.

An eligible entity includes a local, regional, tribal, or state organization, including, but not limited to, a city, county, special district, council of government, metropolitan planning organization, joint powers authority, local agency formation commission, regional climate collaborate, nonprofit organization, community-based organization, tribal government, school district, and higher education institution.

OPR, through ICARP, shall provide technical assistance to regions seeking to establish a regional climate network.

Each regional climate network may engage in activities, such as support the development and implementation of regional adaptation and mitigation plans; facilitate the exchange of best practices among the local agencies and stakeholders; conduct activities to support ongoing coordination and capacity

building; manage educational activities; and apply for and administer grants.

Lastly, each regional climate change authority must submit a biennial report on its activities to OPR.

By establishing regional climate networks, AB 1640 will provide a mechanism for the state to develop collaborative processes to provide efficiencies and economies of scale for regions to address climate change.

SUPPORT

None at this time.

OPPOSITION

None at this time.

FOR MORE INFORMATION

Contact: Bethany Westfall
Phone: (916) 319-2078
Email: Bethany.westfall@asm.ca.gov

Bill Version: Introduced January 12, 2022

This page intentionally left blank.

ASSEMBLY BILL

No. 1773

Introduced by Assembly Member Patterson
(Coauthors: Assembly Members Choi, Gallagher, Mathis, and
Smith)
(Coauthors: Senators Grove, Jones, and Nielsen)

February 3, 2022

An act to amend Section 16148 of the Government Code, relating to agricultural land, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1773, as introduced, Patterson. Williamson Act: subvention payments: appropriation.

The Williamson Act, also known as the California Land Conservation Act of 1965, authorizes a city or county to enter into contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts and continuously appropriates General Fund moneys for that purpose.

This bill, for the 2022–23 fiscal year, would appropriate an additional \$40,000,000 from the General Fund to the Controller to make subvention payments to counties, as provided, in proportion to the losses incurred by those counties by reason of the reduction of assessed property taxes. The bill would make various findings in this regard.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The preservation of our limited supply of agricultural land
4 helps to protect the state’s economic resources, not only for the
5 maintenance of the agricultural economy of the state but also for
6 the assurance of adequate, healthful, and nutritious food for future
7 residents of this state and nation.

8 (b) The discouragement of premature and unnecessary
9 conversion of agricultural land to urban uses is a matter of public
10 interest, and benefits to urban residents because it discourages
11 noncontiguous urban development patterns that increase the cost
12 of community services and vehicle miles traveled.

13 (c) The preservation of agricultural lands as open space is also
14 a public benefit, and agricultural production on such lands
15 constitutes an important physical, social aesthetic, and economic
16 asset to existing and future residents of the state.

17 (d) The preservation of agricultural land within scenic highway
18 corridors and wildlife habitat areas is also of great value to the
19 state because of its scenic beauty and as habitat for wildlife that
20 contributes to biological diversity.

21 (e) Recent research has found that an acre of urban land emits
22 70 times as much greenhouse gases as an acre of irrigated cropland.
23 The Williamson Act (Chapter 7 (commencing with Section 51200)
24 of Part 1 of Division 1 of Title 5 of the Government Code) helps
25 keep farmland and open space from being converted to urban use.

26 (f) The open-space subvention program (Chapter 3 (commencing
27 with Section 16140) of Part 1 of Division 4 of Title 2 of the
28 Government Code) is crucial not only to counties’ continued
29 participation in preserving agricultural land, but also to the state’s
30 continued role in overseeing California’s most important land
31 conservation program.

32 SEC. 2. Section 16148 of the Government Code is amended
33 to read:

34 16148. ~~Zero dollars (\$0)~~ *Forty million dollars (\$40,000,000)*
35 is appropriated for the ~~2010–11~~ 2022–23 fiscal year from the
36 General Fund to the Controller to make subvention payments to
37 counties pursuant to Section 16140 in proportion to the losses

- 1 incurred by those counties by reason of the reduction of assessed
- 2 property taxes.

O



ASSEMBLYMAN JIM PATTERSON, 23RD DISTRICT

AB 1773 (PATTERSON)

WILLIAMSON ACT: SUBVENTION PAYMENTS: APPROPRIATION

SUMMARY

The Williamson Act was created to preserve open space and conserve agricultural land. For many years, the state funded the act at around \$35-\$40 million per year. This funding ceased during the recession, and has not been reinstated since. AB 1773 would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments.

EXISTING LAW

The California Land Conservation Act of 1965 was created to conserve California’s agricultural land. Commonly referred to as the Williamson Act, it allows local governments and landowners to work together to protect land for agricultural and open space use. In 1971, the Open Space Subvention Act became law, which provided state money to local governments as partial replacement for the foregone income that came with protecting – instead of developing – open space and agricultural land. Local governments are then able to enter into contract with landowners and offer property tax incentives for voluntary restrictions on their land.

Between 1972 and 2008, funding was granted to the Williamson Act and state subvention payments were consistently made, with the appropriation for 2008-2009 being about \$40 million.

PROBLEM

Since 2009, no state funding has been made available for subvention payments. Without the state subvention payments, many local

governments have not been able to accept new contracts for land conservation. Additionally, some counties have issued non-renewal notices to landowners that had already been given a contract.

While the Williamson Act has been effective at protecting over 16.5 million acres of land in California, these conservation efforts are at risk the longer the state goes without funding subvention payments. Without funding, the state’s goal of preserving agricultural and open space lands from development is at risk.

SOLUTION

AB 1773 will once again fund the Williamson Act for the 2022-2023 budget year. \$40 million is being requested for a one-time appropriation from the General Fund.

SPONSOR

This bill is author sponsored.

SUPPORT

- California State Association of Counties
- County of Fresno Board of Supervisors
- Rural County Representatives of California
- Sacramento County Board of Supervisors
- Siskiyou County Board of Supervisors

OPPOSITION

- None

CONTACT

Sarah Boudreau

Legislative Aide

Sarah.Boudreau@asm.ca.gov

This page intentionally left blank.

ASSEMBLY BILL

No. 1944

Introduced by Assembly Members Lee and Cristina Garcia

February 10, 2022

An act to amend Section 54953 of the Government Code, relating to public meetings.

LEGISLATIVE COUNSEL'S DIGEST

AB 1944, as introduced, Lee. Local government: open and public meetings.

Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined.

Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a

declared state of emergency is in effect, or in other situations related to public health.

This bill would specify that if a member of a legislative body elects to teleconference from a location that is not public, the address does not need to be identified in the notice and agenda or be accessible to the public when the legislative body has elected to allow members to participate via teleconferencing.

This bill would require all open and public meetings of a legislative body that elects to use teleconferencing to provide a video stream accessible to members of the public and an option for members of the public to address the body remotely during the public comment period through an audio-visual or call-in option.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 54953 of the Government Code, as
- 2 amended by Section 3 of Chapter 165 of the Statutes of 2021, is
- 3 amended to read:
- 4 54953. (a) All meetings of the legislative body of a local
- 5 agency shall be open and public, and all persons shall be permitted
- 6 to attend any meeting of the legislative body of a local agency,
- 7 except as otherwise provided in this chapter.
- 8 (b) (1) Notwithstanding any other provision of law, the
- 9 legislative body of a local agency may use teleconferencing for
- 10 the benefit of the public and the legislative body of a local agency

1 in connection with any meeting or proceeding authorized by law.
2 The teleconferenced meeting or proceeding shall comply with all
3 otherwise applicable requirements of this chapter and all otherwise
4 applicable provisions of law relating to a specific type of meeting
5 or proceeding.

6 (2) Teleconferencing, as authorized by this section, may be used
7 for all purposes in connection with any meeting within the subject
8 matter jurisdiction of the legislative body. All votes taken during
9 a teleconferenced meeting shall be by rollcall.

10 (3) If the legislative body of a local agency elects to use
11 teleconferencing, it shall post agendas at all teleconference
12 locations and conduct teleconference meetings in a manner that
13 protects the statutory and constitutional rights of the parties or the
14 public appearing before the legislative body of a local agency.
15 Each teleconference location shall be identified in the notice and
16 agenda of the meeting or proceeding, and each teleconference
17 location shall be accessible to the ~~public~~. *public, except as provided*
18 *in subparagraph (A)*. During the teleconference, at least a quorum
19 of the members of the legislative body shall participate from
20 locations within the boundaries of the territory over which the
21 local agency exercises jurisdiction, except as provided in
22 subdivisions (d) and (e). The agenda shall provide an opportunity
23 for members of the public to address the legislative body directly
24 pursuant to Section 54954.3 at each teleconference ~~location~~.
25 *location, except as provided in subparagraph (A)*.

26 (A) *If a member of a legislative body elects to teleconference*
27 *from a location that is not public, the address does not need to be*
28 *identified in the notice and agenda or be accessible to the public*
29 *when the legislative body has elected to allow members to*
30 *participate via teleconferencing.*

31 (B) *If a legislative body elects to use teleconferencing, they shall*
32 *provide both of the following:*

33 (i) *A video stream accessible to members of the public.*

34 (ii) *An option for members of the public to address the body*
35 *remotely during the public comment period through an audio-visual*
36 *or call-in option.*

37 (4) For the purposes of this section, “teleconference” means a
38 meeting of a legislative body, the members of which are in different
39 locations, connected by electronic means, through either audio or

1 video, or both. Nothing in this section shall prohibit a local agency
2 from providing the public with additional teleconference locations.

3 (5) *For the purposes of this section, “video streaming” means*
4 *media in which the data from a live filming or a video file is*
5 *continuously delivered via the internet to a remote user, allowing*
6 *a video to be viewed online by the public without being downloaded*
7 *on a host computer or device.*

8 (c) (1) No legislative body shall take action by secret ballot,
9 whether preliminary or final.

10 (2) The legislative body of a local agency shall publicly report
11 any action taken and the vote or abstention on that action of each
12 member present for the action.

13 (3) Prior to taking final action, the legislative body shall orally
14 report a summary of a recommendation for a final action on the
15 salaries, salary schedules, or compensation paid in the form of
16 fringe benefits of a local agency executive, as defined in
17 subdivision (d) of Section 3511.1, during the open meeting in
18 which the final action is to be taken. This paragraph shall not affect
19 the public’s right under the California Public Records Act (Chapter
20 3.5 (commencing with Section 6250) of Division 7 of Title 1) to
21 inspect or copy records created or received in the process of
22 developing the recommendation.

23 (d) (1) Notwithstanding the provisions relating to a quorum in
24 paragraph (3) of subdivision (b), if a health authority conducts a
25 teleconference meeting, members who are outside the jurisdiction
26 of the authority may be counted toward the establishment of a
27 quorum when participating in the teleconference if at least 50
28 percent of the number of members that would establish a quorum
29 are present within the boundaries of the territory over which the
30 authority exercises jurisdiction, and the health authority provides
31 a teleconference number, and associated access codes, if any, that
32 allows any person to call in to participate in the meeting and the
33 number and access codes are identified in the notice and agenda
34 of the meeting.

35 (2) Nothing in this subdivision shall be construed as
36 discouraging health authority members from regularly meeting at
37 a common physical site within the jurisdiction of the authority or
38 from using teleconference locations within or near the jurisdiction
39 of the authority. A teleconference meeting for which a quorum is

1 established pursuant to this subdivision shall be subject to all other
2 requirements of this section.

3 (3) For purposes of this subdivision, a health authority means
4 any entity created pursuant to Sections 14018.7, 14087.31,
5 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare
6 and Institutions Code, any joint powers authority created pursuant
7 to Article 1 (commencing with Section 6500) of Chapter 5 of
8 Division 7 for the purpose of contracting pursuant to Section
9 14087.3 of the Welfare and Institutions Code, and any advisory
10 committee to a county-sponsored health plan licensed pursuant to
11 Chapter 2.2 (commencing with Section 1340) of Division 2 of the
12 Health and Safety Code if the advisory committee has 12 or more
13 members.

14 (e) (1) A local agency may use teleconferencing without
15 complying with the requirements of paragraph (3) of subdivision
16 (b) if the legislative body complies with the requirements of
17 paragraph (2) of this subdivision in any of the following
18 circumstances:

19 (A) The legislative body holds a meeting during a proclaimed
20 state of emergency, and state or local officials have imposed or
21 recommended measures to promote social distancing.

22 (B) The legislative body holds a meeting during a proclaimed
23 state of emergency for the purpose of determining, by majority
24 vote, whether as a result of the emergency, meeting in person
25 would present imminent risks to the health or safety of attendees.

26 (C) The legislative body holds a meeting during a proclaimed
27 state of emergency and has determined, by majority vote, pursuant
28 to subparagraph (B), that, as a result of the emergency, meeting
29 in person would present imminent risks to the health or safety of
30 attendees.

31 (2) A legislative body that holds a meeting pursuant to this
32 subdivision shall do all of the following:

33 (A) The legislative body shall give notice of the meeting and
34 post agendas as otherwise required by this chapter.

35 (B) The legislative body shall allow members of the public to
36 access the meeting and the agenda shall provide an opportunity
37 for members of the public to address the legislative body directly
38 pursuant to Section 54954.3. In each instance in which notice of
39 the time of the teleconferenced meeting is otherwise given or the
40 agenda for the meeting is otherwise posted, the legislative body

1 shall also give notice of the means by which members of the public
2 may access the meeting and offer public comment. The agenda
3 shall identify and include an opportunity for all persons to attend
4 via a call-in option or an internet-based service option. This
5 subparagraph shall not be construed to require the legislative body
6 to provide a physical location from which the public may attend
7 or comment.

8 (C) The legislative body shall conduct teleconference meetings
9 in a manner that protects the statutory and constitutional rights of
10 the parties and the public appearing before the legislative body of
11 a local agency.

12 (D) In the event of a disruption which prevents the public agency
13 from broadcasting the meeting to members of the public using the
14 call-in option or internet-based service option, or in the event of
15 a disruption within the local agency's control which prevents
16 members of the public from offering public comments using the
17 call-in option or internet-based service option, the body shall take
18 no further action on items appearing on the meeting agenda until
19 public access to the meeting via the call-in option or internet-based
20 service option is restored. Actions taken on agenda items during
21 a disruption which prevents the public agency from broadcasting
22 the meeting may be challenged pursuant to Section 54960.1.

23 (E) The legislative body shall not require public comments to
24 be submitted in advance of the meeting and must provide an
25 opportunity for the public to address the legislative body and offer
26 comment in real time. This subparagraph shall not be construed
27 to require the legislative body to provide a physical location from
28 which the public may attend or comment.

29 (F) Notwithstanding Section 54953.3, an individual desiring to
30 provide public comment through the use of an internet website, or
31 other online platform, not under the control of the local legislative
32 body, that requires registration to log in to a teleconference may
33 be required to register as required by the third-party internet
34 website or online platform to participate.

35 (G) (i) A legislative body that provides a timed public comment
36 period for each agenda item shall not close the public comment
37 period for the agenda item, or the opportunity to register, pursuant
38 to subparagraph (F), to provide public comment until that timed
39 public comment period has elapsed.

1 (ii) A legislative body that does not provide a timed public
2 comment period, but takes public comment separately on each
3 agenda item, shall allow a reasonable amount of time per agenda
4 item to allow public members the opportunity to provide public
5 comment, including time for members of the public to register
6 pursuant to subparagraph (F), or otherwise be recognized for the
7 purpose of providing public comment.

8 (iii) A legislative body that provides a timed general public
9 comment period that does not correspond to a specific agenda item
10 shall not close the public comment period or the opportunity to
11 register, pursuant to subparagraph (F), until the timed general
12 public comment period has elapsed.

13 (3) If a state of emergency remains active, or state or local
14 officials have imposed or recommended measures to promote
15 social distancing, in order to continue to teleconference without
16 compliance with paragraph (3) of subdivision (b), the legislative
17 body shall, not later than 30 days after teleconferencing for the
18 first time pursuant to subparagraph (A), (B), or (C) of paragraph
19 (1), and every 30 days thereafter, make the following findings by
20 majority vote:

21 (A) The legislative body has reconsidered the circumstances of
22 the state of emergency.

23 (B) Any of the following circumstances exist:

24 (i) The state of emergency continues to directly impact the
25 ability of the members to meet safely in person.

26 (ii) State or local officials continue to impose or recommend
27 measures to promote social distancing.

28 (4) For the purposes of this subdivision, “state of emergency”
29 means a state of emergency proclaimed pursuant to Section 8625
30 of the California Emergency Services Act (Article 1 (commencing
31 with Section 8550) of Chapter 7 of Division 1 of Title 2).

32 (f) This section shall remain in effect only until January 1, 2024,
33 and as of that date is repealed.

34 SEC. 2. Section 54953 of the Government Code, as added by
35 Section 4 of Chapter 165 of the Statutes of 2021, is amended to
36 read:

37 54953. (a) All meetings of the legislative body of a local
38 agency shall be open and public, and all persons shall be permitted
39 to attend any meeting of the legislative body of a local agency,
40 except as otherwise provided in this chapter.

1 (b) (1) Notwithstanding any other provision of law, the
 2 legislative body of a local agency may use teleconferencing for
 3 the benefit of the public and the legislative body of a local agency
 4 in connection with any meeting or proceeding authorized by law.
 5 The teleconferenced meeting or proceeding shall comply with all
 6 requirements of this chapter and all otherwise applicable provisions
 7 of law relating to a specific type of meeting or proceeding.

8 (2) Teleconferencing, as authorized by this section, may be used
 9 for all purposes in connection with any meeting within the subject
 10 matter jurisdiction of the legislative body. All votes taken during
 11 a teleconferenced meeting shall be by rollcall.

12 (3) If the legislative body of a local agency elects to use
 13 teleconferencing, it shall post agendas at all teleconference
 14 locations and conduct teleconference meetings in a manner that
 15 protects the statutory and constitutional rights of the parties or the
 16 public appearing before the legislative body of a local agency.
 17 Each teleconference location shall be identified in the notice and
 18 agenda of the meeting or proceeding, and each teleconference
 19 location shall be accessible to the ~~public~~ *public, except as provided*
 20 *in subparagraph (A)*. During the teleconference, at least a quorum
 21 of the members of the legislative body shall participate from
 22 locations within the boundaries of the territory over which the
 23 local agency exercises jurisdiction, except as provided in
 24 subdivision (d). The agenda shall provide an opportunity for
 25 members of the public to address the legislative body directly
 26 pursuant to Section 54954.3 at each teleconference ~~location~~
 27 *location, except as provided in subparagraph (A)*.

28 (A) *If a member of a legislative body elects to teleconference*
 29 *from a location that is not public, the address does not need to be*
 30 *identified in the notice and agenda, or be accessible to the public*
 31 *when the legislative body has elected to allow members to*
 32 *participate via teleconferencing.*

33 (B) *If a legislative body elects to use teleconferencing, they shall*
 34 *provide both of the following:*

- 35 (i) *A video stream accessible to members of the public.*
- 36 (ii) *An option for members of the public to address the body*
 37 *remotely during the public comment period through an audio-visual*
 38 *or call-in option.*

39 (4) For the purposes of this section, “teleconference” means a
 40 meeting of a legislative body, the members of which are in different

1 locations, connected by electronic means, through either audio or
2 video, or both. Nothing in this section shall prohibit a local agency
3 from providing the public with additional teleconference locations

4 (5) *For the purposes of this section, “video streaming” means*
5 *media in which the data from a live filming or a video file is*
6 *continuously delivered via the internet to a remote user, allowing*
7 *a video to be viewed online by the public without being downloaded*
8 *on a host computer or device.*

9 (c) (1) No legislative body shall take action by secret ballot,
10 whether preliminary or final.

11 (2) The legislative body of a local agency shall publicly report
12 any action taken and the vote or abstention on that action of each
13 member present for the action.

14 (3) Prior to taking final action, the legislative body shall orally
15 report a summary of a recommendation for a final action on the
16 salaries, salary schedules, or compensation paid in the form of
17 fringe benefits of a local agency executive, as defined in
18 subdivision (d) of Section 3511.1, during the open meeting in
19 which the final action is to be taken. This paragraph shall not affect
20 the public’s right under the California Public Records Act (Chapter
21 3.5 (commencing with Section 6250) of Division 7 of Title 1) to
22 inspect or copy records created or received in the process of
23 developing the recommendation.

24 (d) (1) Notwithstanding the provisions relating to a quorum in
25 paragraph (3) of subdivision (b), if a health authority conducts a
26 teleconference meeting, members who are outside the jurisdiction
27 of the authority may be counted toward the establishment of a
28 quorum when participating in the teleconference if at least 50
29 percent of the number of members that would establish a quorum
30 are present within the boundaries of the territory over which the
31 authority exercises jurisdiction, and the health authority provides
32 a teleconference number, and associated access codes, if any, that
33 allows any person to call in to participate in the meeting and the
34 number and access codes are identified in the notice and agenda
35 of the meeting.

36 (2) Nothing in this subdivision shall be construed as
37 discouraging health authority members from regularly meeting at
38 a common physical site within the jurisdiction of the authority or
39 from using teleconference locations within or near the jurisdiction
40 of the authority. A teleconference meeting for which a quorum is

1 established pursuant to this subdivision shall be subject to all other
2 requirements of this section.

3 (3) For purposes of this subdivision, a health authority means
4 any entity created pursuant to Sections 14018.7, 14087.31,
5 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare
6 and Institutions Code, any joint powers authority created pursuant
7 to Article 1 (commencing with Section 6500) of Chapter 5 of
8 Division 7 for the purpose of contracting pursuant to Section
9 14087.3 of the Welfare and Institutions Code, and any advisory
10 committee to a county-sponsored health plan licensed pursuant to
11 Chapter 2.2 (commencing with Section 1340) of Division 2 of the
12 Health and Safety Code if the advisory committee has 12 or more
13 members.

14 (e) This section shall become operative January 1, 2024.

15 SEC. 3. The Legislature finds and declares that Sections 1 and
16 2 of this act, which amends Section 54953 of the Government
17 Code, further, within the meaning of paragraph (7) of subdivision
18 (b) of Section 3 of Article I of the California Constitution, the
19 purposes of that constitutional section as it relates to the right of
20 public access to the meetings of local public bodies or the writings
21 of local public officials and local agencies. Pursuant to paragraph
22 (7) of subdivision (b) of Section 3 of Article I of the California
23 Constitution, the Legislature makes the following findings:

24 This act is necessary to ensure minimum standards for public
25 participation allowing for greater public participation in
26 teleconference meetings.

27 SEC. 4. (a) The Legislature finds and declares that during the
28 COVID-19 public health emergency, certain requirements of the
29 Ralph M. Brown Act (Chapter 9 (commencing with Section 54950)
30 of Part 1 of Division 2 of Title 5 of the Government Code) and the
31 Bagley-Keene Open Meeting Act (Article 9 (commencing with
32 Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of
33 the Government Code) were suspended by Executive Order No.
34 N-29-20. Audio and video teleconference were widely used to
35 conduct public meetings in lieu of physical location meetings, and
36 public meetings conducted by teleconference during the COVID-19
37 public health emergency have been productive, have increased
38 public participation by all members of the public regardless of
39 their location in the state and ability to travel to physical meeting
40 locations, have protected the health and safety of civil servants

1 and the public, and have reduced travel costs incurred by members
2 of state bodies and reduced work hours spent traveling to and from
3 meetings.

4 (b) The Legislature finds and declares that Sections 1 and 2 of
5 this act, which amend Section 54953 of the Government Code,
6 imposes a potential limitation on the public's right of access to the
7 meetings of public bodies or the writings of public officials and
8 agencies within the meaning of Section 3 of Article I of the
9 California Constitution. Pursuant to that constitutional provision,
10 the Legislature makes the following findings to demonstrate the
11 interest protected by this potential limitation and the need for
12 protecting that interest:

13 By removing the requirement for each teleconference location
14 to be identified in the notice and agenda, including the member's
15 private home address, this act protects the personal, private
16 information of public officials and their families while preserving
17 the public's right to access information concerning the conduct of
18 the people's business.

O



AB 1944

ASSEMBLYMEMBER ALEX LEE

THIS BILL

This bill would allow members of a local legislative body, upon majority vote, to waive the Brown Act requirements of publishing their private address on the meeting agenda and making this address open to members of the public. It would also require a remote participation option for members of the public to address the body.

BACKGROUND

The Ralph M. Brown Act passed in 1953 requires local government business to be conducted at open and public meetings, except in certain limited situations. Existing law allows the legislative body of a local agency to use teleconferencing as long as a quorum of the members participate from locations within the boundaries of the agency's jurisdiction.

In order to teleconference, each teleconference location is required to be identified in the notice and agenda of the meeting, as well as be accessible to the public.

On March 2020, Governor Newsom issued Executive Order N-29-20 which waived the teleconference requirements for local agencies during the COVID-19 pandemic. This order has since expired.

AB 361 (Rivas, 2021) permits local agencies to continue to meet virtually and remotely during a state-declared emergency without having to meet a quorum and other requirements of teleconference meetings under the Brown Act. Local legislative bodies may continue to meet virtually pursuant to AB 361 until the end of the current state of emergency and during any future state of emergency up until January 1, 2024. The legislative body is required to take a majority vote every 30 days in order to continue allowing members to participate virtually without meeting existing Brown Act requirements.

PROBLEM

Given the last few years of the COVID-19 pandemic, many members of Brown Act bodies have participated remotely in official business, and have shown effective leadership while keeping themselves and their families healthy and safe. However, even with existing legislation, the protections are only in place during a declared state of

emergency. In addition, if there is no majority vote every 30 days, members who choose to teleconference are required to make private addresses publicly known and accessible.

Since there are many members of Brown Act bodies who have families that may be immunocompromised or may need to teleconference from a private location that cannot be made accessible to the public, there are still many concerns with existing legislation.

For example, if outside of the pandemic a local elected is teleconferencing from a hospital room after giving birth, she would be forced to either reveal the location she is teleconferencing from or make the room publicly available, or she would not be able to attend the meeting and partake in her official duties.

Another example is if a Planning Commissioner is immunocompromised, or has immunocompromised family members at home, they may choose to teleconference into meetings. However, they would be required to share their private home address and make it publicly accessible.

SOLUTION

AB 1944 would ensure that:

- Brown Act bodies can vote to allow their members to teleconference into a meeting without having to reveal private addresses or make private addresses accessible to the public, to continue performing their official duties
- Livestreams of meetings are required whenever members teleconference into meetings so the public has access to observe and participate in meetings
- Members of the public can address their elected officials either through a call-in or video option, ensuring that they are able to participate in government

SUPPORT

Gilroy City Councilmember Zach Hilton
Pinole Mayor Pro Tem Devin T. Murphy
Santa Clara School Board Member Vickie Fairchild
Santa Clara School Board Member Bonnie Lieberman
San Jose Housing Commissioner Martha O'Connell
Seaside City Councilmember Jon Wizard
South San Francisco Councilmember James Coleman
San Bruno Park District Trustee Andriana Shea
Santa Ana City Councilmember Jessie Lopez
Sacramento City Councilmember Katie Valenzuela
South San Francisco Unified School District Board of
Trustees John Baker
North Westwood Neighborhood Councilmember Andrew
Lewis

CONTACT

Maria Montchal, Legislative Aide
Office of Assemblymember Alex Lee
916-319-2025 | Maria.Montchal@asm.ca.gov

This page intentionally left blank.

ASSEMBLY BILL

No. 2081

**Introduced by Assembly Members Eduardo Garcia and Waldron
(Coauthors: Assembly Members Boerner Horvath, Maienschein,
Voepel, and Ward)**

February 14, 2022

An act to amend Section 71611.5 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2081, as introduced, Eduardo Garcia. Municipal water districts: water service: Indian lands.

Existing law, the Municipal Water District Law of 1911, provides for the formation of municipal water districts and grants to those districts specified powers. Existing law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Existing law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Existing law also authorizes a district, until January 1, 2023, under specified circumstances, to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district and requires the local agency formation commission to approve such an application.

This bill would extend the above provisions regarding the application to the applicable local agency formation commission to January 1, 2025.

By imposing new duties on local officials, the bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 71611.5 of the Water Code is amended
2 to read:
3 71611.5. (a) (1) Except as provided in paragraph (2), upon
4 the request of an Indian tribe and the satisfaction of the conditions
5 stated in subdivision (b), a district shall provide service of water
6 at substantially the same terms applicable to the customers of the
7 district to an Indian tribe’s lands that are not within a district as if
8 the lands had been fully annexed into the district and into any other
9 public agencies required for the provision of water service if the
10 Indian tribe’s lands meet all of the following requirements:
11 (A) The lands were owned by the tribe on January 1, 2016.
12 (B) The lands are contiguous with at least two districts.
13 (C) The lands lie within the special study area of at least one
14 district.
15 (D) At least 70 percent of the Indian tribe’s total Indian lands
16 are currently within the boundaries of one or more districts.
17 (2) (A) Upon the request of an Indian tribe that does not meet
18 the requirements of paragraph (1) and upon the satisfaction of the
19 conditions stated in subdivision (b), a district may, until January
20 1, ~~2023~~, 2025, apply to the applicable local agency formation
21 commission to extend water service at substantially the same terms
22 applicable to customers of the district to Indian lands that are not
23 within a district as if the lands had been fully annexed into the
24 district and into any other public agencies required for the provision
25 of water service. The local agency formation commission shall
26 approve the application and may impose conditions on the district
27 with regard to the extension of service in accordance with Section
28 56886 of the Government Code, as long as those terms and

1 conditions do not impair the provision of water service to Indian
2 lands pursuant to this section and are similar to those imposed on
3 all agency service recipients without discrimination. A district
4 shall provide the water extension agreement to the local agency
5 formation commission.

6 (B) A local agency formation commission shall not approve an
7 application on or after January 1, ~~2023~~, 2025. A district that
8 received authorization to extend water service to Indian lands
9 pursuant to subparagraph (A) may continue to do so after January
10 1, ~~2023~~, 2025, provided that the district continues to comply with
11 the conditions imposed by the local agency formation commission.

12 (C) For purposes of this subdivision, “Indian lands” means
13 Indian lands, as defined in Section 2703 of Title 25 of the United
14 States Code, that were part of a reservation or held in trust as of
15 January 1, ~~2017~~, 2022.

16 (b) Before a district provides service of water pursuant to this
17 section, the Indian tribe shall satisfy all of the following conditions:

18 (1) The Indian tribe complies with all federal and tribal laws.

19 (2) The Indian tribe acquires all federal and tribal approvals
20 necessary for the applicable district to provide water service to the
21 tribal lands on substantially the same terms applicable to customers
22 of the district.

23 (3) The Indian tribe accepts, by agreement, all terms of, and
24 ~~payments to (including service payments)~~, *payments, including*
25 *service payments, to*, the district and any public agency providing
26 water to said district, as if the Indian tribe’s lands were fully
27 annexed into the district and into the service area of any other
28 public agency, which terms and payments are also a condition of
29 continued service by a district and by any public agency providing
30 water to said district.

31 (c) If a district provides service of water to an Indian tribe’s
32 lands pursuant to this section, the service areas of the district and
33 of any public agencies providing water to the district are deemed
34 for all purposes to include the Indian tribe’s lands for the longest
35 of the following periods of time:

36 (1) The time service of water is provided by the district to the
37 Indian tribe.

38 (2) The time moneys are owed by the Indian tribe to the district
39 for the service of water.

1 (3) The term of any agreement between the district and the
2 Indian tribe.
3 SEC. 2. No reimbursement is required by this act pursuant to
4 Section 6 of Article XIII B of the California Constitution because
5 a local agency or school district has the authority to levy service
6 charges, fees, or assessments sufficient to pay for the program or
7 level of service mandated by this act, within the meaning of Section
8 17556 of the Government Code.

O



AB 2081 – INDIAN TRIBES: SERVICE OF WATER

Updated: 2/16/22

BACKGROUND

In 2017, the Legislature passed AB 1361 which allowed water districts to negotiate voluntary agreements with sovereign tribal governments for the provision of water services in a manner that does not violate the sovereignty of negotiating tribes. AB 1361 defined "Indian lands" as lands that were part of a reservation or held in trust as of January 1, 2017 under federal law and the provisions of this bill are set to sunset on January 1, 2023.

The Cortese-Knox-Hertzberg Act creates a LAFCO in each county to control the boundaries of cities, county service areas, and most special districts. The Legislature has delegated the power to control local boundaries to the 58 LAFCOs, and local governments can only exercise their powers and provide services where LAFCO allows them to. The courts refer to LAFCOs as the Legislature's watchdog over boundary changes.

The Municipal Water District Act of 1911 establishes the powers and organization of municipal water districts. Among other things, the act allows municipal water districts to sell water to entities within the district for use within the district and to levy taxes on the land within the district. Water is often supplied to consumers by retail water agencies that purchase water through a chain of water suppliers. A district may establish special rates for areas acquired by annexation and may charge special fees when it serves areas that do not pay district taxes, such as property taxes.

Because water districts can only serve water within their boundaries, annexations to retail water agencies require the annexation of territory to districts in the chain of water suppliers that encompass the retail district. An annexation of territory to a retail water district thus requires approval from LAFCO, the metropolitan water agency, and other agencies that may encompass the retail district.

ISSUE

Although federally-recognized tribes are sovereign governments, and are not subject to state and local laws and regulations, historically, most tribes have been unable to access services from nearby water

districts without annexing territory to those districts, a process that would subject sovereign tribal governments to state and local regulations and thus violate tribal sovereignty. AB 1361 has provided Indian tribes with the independence that is warranted by their sovereign nation status. Therefore, the sunset date for this statute should be extended to allow additional tribes to pursue water service when needed.

BILL SUMMARY

This bill would extend the sunset to January 1, 2025 to further allow service of water between water districts and tribal governments and would update the definition of "Indian lands," for the purpose of the bill, as lands that were part of a reservation or held in trust as of January 1, 2022.

For More Information:

Rexford Scott
Room 8120
Rexford.Scott@asm.ca.gov
916-319-2056

This page intentionally left blank.

ASSEMBLY BILL

No. 2449

Introduced by Assembly Member Blanca Rubio

February 17, 2022

An act to amend Section 54953 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2449, as introduced, Blanca Rubio. Open meetings: local agencies: teleconferences.

Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding the timelines for posting an agenda and providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined.

Existing law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a

declared state of emergency is in effect, or in other situations related to public health.

This bill would authorize a local agency to use teleconferencing without complying with those specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency’s jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 54953 of the Government Code, as
- 2 amended by Section 3 of Chapter 165 of the Statutes of 2021, is
- 3 amended to read:
- 4 54953. (a) All meetings of the legislative body of a local
- 5 agency shall be open and public, and all persons shall be permitted
- 6 to attend any meeting of the legislative body of a local agency,
- 7 except as otherwise provided in this chapter.
- 8 (b) (1) Notwithstanding any other provision of law, the
- 9 legislative body of a local agency may use teleconferencing for

1 the benefit of the public and the legislative body of a local agency
2 in connection with any meeting or proceeding authorized by law.
3 The teleconferenced meeting or proceeding shall comply with all
4 otherwise applicable requirements of this chapter and all otherwise
5 applicable provisions of law relating to a specific type of meeting
6 or proceeding.

7 (2) Teleconferencing, as authorized by this section, may be used
8 for all purposes in connection with any meeting within the subject
9 matter jurisdiction of the legislative body. All votes taken during
10 a teleconferenced meeting shall be by rollcall.

11 (3) If the legislative body of a local agency elects to use
12 teleconferencing, it shall post agendas at all teleconference
13 locations and conduct teleconference meetings in a manner that
14 protects the statutory and constitutional rights of the parties or the
15 public appearing before the legislative body of a local agency.
16 Each teleconference location shall be identified in the notice and
17 agenda of the meeting or proceeding, and each teleconference
18 location shall be accessible to the public. During the teleconference,
19 at least a quorum of the members of the legislative body shall
20 participate from locations within the boundaries of the territory
21 over which the local agency exercises jurisdiction, except as
22 provided in subdivisions (d) and (e). The agenda shall provide an
23 opportunity for members of the public to address the legislative
24 body directly pursuant to Section 54954.3 at each teleconference
25 location.

26 (4) For the purposes of this section, “teleconference” means a
27 meeting of a legislative body, the members of which are in different
28 locations, connected by electronic means, through either audio or
29 video, or both. Nothing in this section shall prohibit a local agency
30 from providing the public with additional teleconference locations.

31 (c) (1) No legislative body shall take action by secret ballot,
32 whether preliminary or final.

33 (2) The legislative body of a local agency shall publicly report
34 any action taken and the vote or abstention on that action of each
35 member present for the action.

36 (3) Prior to taking final action, the legislative body shall orally
37 report a summary of a recommendation for a final action on the
38 salaries, salary schedules, or compensation paid in the form of
39 fringe benefits of a local agency executive, as defined in
40 subdivision (d) of Section 3511.1, during the open meeting in

1 which the final action is to be taken. This paragraph shall not affect
 2 the public’s right under the California Public Records Act ~~(Chapter~~
 3 ~~3.5 (commencing with Section 6250) of Division 7 of Title 1)~~
 4 *(Division 10 (commencing with Section 7920.000) of Title 1)* to
 5 inspect or copy records created or received in the process of
 6 developing the recommendation.

7 (d) (1) Notwithstanding the provisions relating to a quorum in
 8 paragraph (3) of subdivision (b), if a health authority conducts a
 9 teleconference meeting, members who are outside the jurisdiction
 10 of the authority may be counted toward the establishment of a
 11 quorum when participating in the teleconference if at least 50
 12 percent of the number of members that would establish a quorum
 13 are present within the boundaries of the territory over which the
 14 authority exercises jurisdiction, and the health authority provides
 15 a teleconference number, and associated access codes, if any, that
 16 allows any person to call in to participate in the meeting and the
 17 number and access codes are identified in the notice and agenda
 18 of the meeting.

19 (2) Nothing in this subdivision shall be construed as
 20 discouraging health authority members from regularly meeting at
 21 a common physical site within the jurisdiction of the authority or
 22 from using teleconference locations within or near the jurisdiction
 23 of the authority. A teleconference meeting for which a quorum is
 24 established pursuant to this subdivision shall be subject to all other
 25 requirements of this section.

26 (3) For purposes of this subdivision, a health authority means
 27 any entity created pursuant to Sections 14018.7, 14087.31,
 28 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare
 29 and Institutions Code, any joint powers authority created pursuant
 30 to Article 1 (commencing with Section 6500) of Chapter 5 of
 31 Division 7 for the purpose of contracting pursuant to Section
 32 14087.3 of the Welfare and Institutions Code, and any advisory
 33 committee to a county-sponsored health plan licensed pursuant to
 34 Chapter 2.2 (commencing with Section 1340) of Division 2 of the
 35 Health and Safety Code if the advisory committee has 12 or more
 36 members.

37 (e) (1) A local agency may use teleconferencing without
 38 complying with the requirements of paragraph (3) of subdivision
 39 (b) if the legislative body complies with the requirements of

1 paragraph (2) of this subdivision in any of the following
2 circumstances:

3 (A) The legislative body holds a meeting during a proclaimed
4 state of emergency, and state or local officials have imposed or
5 recommended measures to promote social distancing.

6 (B) The legislative body holds a meeting during a proclaimed
7 state of emergency for the purpose of determining, by majority
8 vote, whether as a result of the emergency, meeting in person
9 would present imminent risks to the health or safety of attendees.

10 (C) The legislative body holds a meeting during a proclaimed
11 state of emergency and has determined, by majority vote, pursuant
12 to subparagraph (B), that, as a result of the emergency, meeting
13 in person would present imminent risks to the health or safety of
14 attendees.

15 (2) A legislative body that holds a meeting pursuant to this
16 subdivision shall do all of the following:

17 (A) The legislative body shall give notice of the meeting and
18 post agendas as otherwise required by this chapter.

19 (B) The legislative body shall allow members of the public to
20 access the meeting and the agenda shall provide an opportunity
21 for members of the public to address the legislative body directly
22 pursuant to Section 54954.3. In each instance in which notice of
23 the time of the teleconferenced meeting is otherwise given or the
24 agenda for the meeting is otherwise posted, the legislative body
25 shall also give notice of the means by which members of the public
26 may access the meeting and offer public comment. The agenda
27 shall identify and include an opportunity for all persons to attend
28 via a call-in option or an internet-based service option. This
29 subparagraph shall not be construed to require the legislative body
30 to provide a physical location from which the public may attend
31 or comment.

32 (C) The legislative body shall conduct teleconference meetings
33 in a manner that protects the statutory and constitutional rights of
34 the parties and the public appearing before the legislative body of
35 a local agency.

36 (D) In the event of a disruption~~which~~ that prevents the public
37 agency from broadcasting the meeting to members of the public
38 using the call-in option or internet-based service option, or in the
39 event of a disruption within the local agency's control~~which~~ that
40 prevents members of the public from offering public comments

1 using the call-in option or internet-based service option, the body
2 shall take no further action on items appearing on the meeting
3 agenda until public access to the meeting via the call-in option or
4 internet-based service option is restored. Actions taken on agenda
5 items during a disruption ~~which~~ *that* prevents the public agency
6 from broadcasting the meeting may be challenged pursuant to
7 Section 54960.1.

8 (E) The legislative body shall not require public comments to
9 be submitted in advance of the meeting and must provide an
10 opportunity for the public to address the legislative body and offer
11 comment in real time. This subparagraph shall not be construed
12 to require the legislative body to provide a physical location from
13 which the public may attend or comment.

14 (F) Notwithstanding Section 54953.3, an individual desiring to
15 provide public comment through the use of an internet website, or
16 other online platform, not under the control of the local legislative
17 body, that requires registration to log in to a teleconference may
18 be required to register as required by the third-party internet
19 website or online platform to participate.

20 (G) (i) A legislative body that provides a timed public comment
21 period for each agenda item shall not close the public comment
22 period for the agenda item, or the opportunity to register, pursuant
23 to subparagraph (F), to provide public comment until that timed
24 public comment period has elapsed.

25 (ii) A legislative body that does not provide a timed public
26 comment period, but takes public comment separately on each
27 agenda item, shall allow a reasonable amount of time per agenda
28 item to allow public members the opportunity to provide public
29 comment, including time for members of the public to register
30 pursuant to subparagraph (F), or otherwise be recognized for the
31 purpose of providing public comment.

32 (iii) A legislative body that provides a timed general public
33 comment period that does not correspond to a specific agenda item
34 shall not close the public comment period or the opportunity to
35 register, pursuant to subparagraph (F), until the timed general
36 public comment period has elapsed.

37 (3) If a state of emergency remains active, or state or local
38 officials have imposed or recommended measures to promote
39 social distancing, in order to continue to teleconference without
40 compliance with paragraph (3) of subdivision (b), the legislative

1 body shall, not later than 30 days after teleconferencing for the
2 first time pursuant to subparagraph (A), (B), or (C) of paragraph
3 (1), and every 30 days thereafter, make the following findings by
4 majority vote:

5 (A) The legislative body has reconsidered the circumstances of
6 the state of emergency.

7 (B) Any of the following circumstances exist:

8 (i) The state of emergency continues to directly impact the
9 ability of the members to meet safely in person.

10 (ii) State or local officials continue to impose or recommend
11 measures to promote social distancing.

12 (4) For the purposes of this subdivision, “state of emergency”
13 means a state of emergency proclaimed pursuant to Section 8625
14 of the California Emergency Services Act (Article 1 (commencing
15 with Section 8550) of Chapter 7 of Division 1 of Title 2).

16 (f) *A local agency may use teleconferencing without complying
17 with paragraph (3) of subdivision (b) if, during the teleconference
18 meeting, at least a quorum of the members of the legislative body
19 participates in person from a singular location clearly identified
20 on the agenda, which location shall be open to the public and
21 situated within the boundaries of the territory over which the local
22 agency exercises jurisdiction and the legislative body complies
23 with all of the following:*

24 (1) *The legislative body shall give notice of the meeting and
25 post agendas as otherwise required by this chapter.*

26 (2) *All members of the legislative body attending the meeting
27 by teleconference shall participate only through both audio and
28 visual technology.*

29 (3) *The legislative body shall allow members of the public to
30 access the meeting and the agenda shall provide an opportunity
31 for members of the public to address the legislative body directly
32 pursuant to Section 54954.3. In each instance in which notice of
33 the time of the meeting is otherwise given or the agenda for the
34 meeting is otherwise posted, the legislative body shall also give
35 notice of the means by which members of the public may access
36 the meeting and offer public comment. The agenda shall identify
37 and include an opportunity for all persons to attend via a call-in
38 option or an internet-based service option, and an opportunity for
39 members of the public to attend and address the legislative body
40 at the in-person location of the meeting.*

1 (4) *The legislative body shall conduct teleconference meetings*
2 *in a manner that protects the statutory and constitutional rights*
3 *of the parties and the public appearing before the legislative body*
4 *of a local agency.*

5 (5) *In the event of a disruption that prevents the public agency*
6 *from broadcasting the meeting to members of the public using the*
7 *call-in option or internet-based service option, or in the event of*
8 *a disruption within the local agency’s control that prevents*
9 *members of the public from offering public comments using the*
10 *call-in option or internet-based service option, the body shall take*
11 *no further action on items appearing on the meeting agenda until*
12 *public access to the meeting via the call-in option or internet-based*
13 *service option is restored. Actions taken on agenda items during*
14 *a disruption that prevents the public agency from broadcasting*
15 *the meeting may be challenged pursuant to Section 54960.1.*

16 (6) *The legislative body shall not require public comments to*
17 *be submitted in advance of the meeting and must provide an*
18 *opportunity for the public to address the legislative body and offer*
19 *comment in real time.*

20 (7) *Notwithstanding Section 54953.3, an individual desiring to*
21 *provide public comment through the use of an internet website, or*
22 *other online platform, not under the control of the local legislative*
23 *body, that requires registration to log in to a teleconference may*
24 *be required to register as required by the third-party internet*
25 *website or online platform to participate.*

26 (8) *The legislative body shall have and implement a procedure*
27 *for receiving and swiftly resolving requests for reasonable*
28 *accommodation for individuals with disabilities, consistent with*
29 *the federal Americans with Disabilities Act of 1990 (42 U.S.C.*
30 *Sec. 12132), and resolving any doubt in favor of accessibility. In*
31 *each instance in which notice of the time of the meeting is otherwise*
32 *given or the agenda for the meeting is otherwise posted, the*
33 *legislative body shall also give notice of the procedure for receiving*
34 *and resolving requests for accommodation.*

35 (f)
36 (g) *This section shall remain in effect only until January 1, 2024,*
37 *and as of that date is repealed.*

38 SEC. 2. Section 54953 of the Government Code, as added by
39 Section 4 of Chapter 165 of the Statutes of 2021, is amended to
40 read:

1 54953. (a) All meetings of the legislative body of a local
2 agency shall be open and public, and all persons shall be permitted
3 to attend any meeting of the legislative body of a local agency,
4 except as otherwise provided in this chapter.

5 (b) (1) Notwithstanding any other provision of law, the
6 legislative body of a local agency may use teleconferencing for
7 the benefit of the public and the legislative body of a local agency
8 in connection with any meeting or proceeding authorized by law.
9 The teleconferenced meeting or proceeding shall comply with all
10 requirements of this chapter and all otherwise applicable provisions
11 of law relating to a specific type of meeting or proceeding.

12 (2) Teleconferencing, as authorized by this section, may be used
13 for all purposes in connection with any meeting within the subject
14 matter jurisdiction of the legislative body. All votes taken during
15 a teleconferenced meeting shall be by rollcall.

16 (3) If the legislative body of a local agency elects to use
17 teleconferencing, it shall post agendas at all teleconference
18 locations and conduct teleconference meetings in a manner that
19 protects the statutory and constitutional rights of the parties or the
20 public appearing before the legislative body of a local agency.
21 Each teleconference location shall be identified in the notice and
22 agenda of the meeting or proceeding, and each teleconference
23 location shall be accessible to the public. During the teleconference,
24 at least a quorum of the members of the legislative body shall
25 participate from locations within the boundaries of the territory
26 over which the local agency exercises jurisdiction, except as
27 provided in subdivision (d). The agenda shall provide an
28 opportunity for members of the public to address the legislative
29 body directly pursuant to Section 54954.3 at each teleconference
30 location.

31 (4) For the purposes of this section, “teleconference” means a
32 meeting of a legislative body, the members of which are in different
33 locations, connected by electronic means, through either audio or
34 video, or both. Nothing in this section shall prohibit a local agency
35 from providing the public with additional teleconference locations

36 (c) (1) No legislative body shall take action by secret ballot,
37 whether preliminary or final.

38 (2) The legislative body of a local agency shall publicly report
39 any action taken and the vote or abstention on that action of each
40 member present for the action.

1 (3) Prior to taking final action, the legislative body shall orally
 2 report a summary of a recommendation for a final action on the
 3 salaries, salary schedules, or compensation paid in the form of
 4 fringe benefits of a local agency executive, as defined in
 5 subdivision (d) of Section 3511.1, during the open meeting in
 6 which the final action is to be taken. This paragraph shall not affect
 7 the public’s right under the California Public Records Act (~~Chapter~~
 8 ~~3.5 (commencing with Section 6250) of Division 7 of Title 1)~~
 9 *(Division 10 (commencing with Section 7920.000) of Title 1)* to
 10 inspect or copy records created or received in the process of
 11 developing the recommendation.

12 (d) (1) Notwithstanding the provisions relating to a quorum in
 13 paragraph (3) of subdivision (b), if a health authority conducts a
 14 teleconference meeting, members who are outside the jurisdiction
 15 of the authority may be counted toward the establishment of a
 16 quorum when participating in the teleconference if at least 50
 17 percent of the number of members that would establish a quorum
 18 are present within the boundaries of the territory over which the
 19 authority exercises jurisdiction, and the health authority provides
 20 a teleconference number, and associated access codes, if any, that
 21 allows any person to call in to participate in the meeting and the
 22 number and access codes are identified in the notice and agenda
 23 of the meeting.

24 (2) Nothing in this subdivision shall be construed as
 25 discouraging health authority members from regularly meeting at
 26 a common physical site within the jurisdiction of the authority or
 27 from using teleconference locations within or near the jurisdiction
 28 of the authority. A teleconference meeting for which a quorum is
 29 established pursuant to this subdivision shall be subject to all other
 30 requirements of this section.

31 (3) For purposes of this subdivision, a health authority means
 32 any entity created pursuant to Sections 14018.7, 14087.31,
 33 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare
 34 and Institutions Code, any joint powers authority created pursuant
 35 to Article 1 (commencing with Section 6500) of Chapter 5 of
 36 Division 7 for the purpose of contracting pursuant to Section
 37 14087.3 of the Welfare and Institutions Code, and any advisory
 38 committee to a county-sponsored health plan licensed pursuant to
 39 Chapter 2.2 (commencing with Section 1340) of Division 2 of the

1 Health and Safety Code if the advisory committee has 12 or more
2 members.

3 *(e) A local agency may use teleconferencing without complying*
4 *with the requirements of paragraph (3) of subdivision (b) if, during*
5 *the teleconference meeting, at least a quorum of the members of*
6 *the legislative body participates in person from a singular location*
7 *clearly identified on the agenda, which location shall be open to*
8 *the public and situated within the boundaries of the territory over*
9 *which the local agency exercises jurisdiction and the legislative*
10 *body complies with all of the following:*

11 *(1) The legislative body shall give notice of the meeting and*
12 *post agendas as otherwise required by this chapter.*

13 *(2) All members of the legislative body attending the meeting*
14 *by teleconference shall participate only through both audio and*
15 *visual technology.*

16 *(3) The legislative body shall allow members of the public to*
17 *access the meeting and the agenda shall provide an opportunity*
18 *for members of the public to address the legislative body directly*
19 *pursuant to Section 54954.3. In each instance in which notice of*
20 *the time of the meeting is otherwise given or the agenda for the*
21 *meeting is otherwise posted, the legislative body shall also give*
22 *notice of the means by which members of the public may access*
23 *the meeting and offer public comment. The agenda shall identify*
24 *and include an opportunity for all persons to attend via a call-in*
25 *option or an internet-based service option, and an opportunity for*
26 *members of the public to attend and address the legislative body*
27 *at the in-person location of the meeting.*

28 *(4) The legislative body shall conduct teleconference meetings*
29 *in a manner that protects the statutory and constitutional rights*
30 *of the parties and the public appearing before the legislative body*
31 *of a local agency.*

32 *(5) In the event of a disruption that prevents the public agency*
33 *from broadcasting the meeting to members of the public using the*
34 *call-in option or internet-based service option, or in the event of*
35 *a disruption within the local agency's control that prevents*
36 *members of the public from offering public comments using the*
37 *call-in option or internet-based service option, the body shall take*
38 *no further action on items appearing on the meeting agenda until*
39 *public access to the meeting via the call-in option or internet-based*
40 *service option is restored. Actions taken on agenda items during*

1 a disruption that prevents the public agency from broadcasting
2 the meeting may be challenged pursuant to Section 54960.1.

3 (6) The legislative body shall not require public comments to
4 be submitted in advance of the meeting and must provide an
5 opportunity for the public to address the legislative body and offer
6 comment in real time.

7 (7) Notwithstanding Section 54953.3, an individual desiring to
8 provide public comment through the use of an internet website, or
9 other online platform, not under the control of the local legislative
10 body, that requires registration to log in to a teleconference may
11 be required to register as required by the third-party internet
12 website or online platform to participate.

13 (8) The legislative body shall have and implement a procedure
14 for receiving and swiftly resolving requests for reasonable
15 accommodation for individuals with disabilities, consistent with
16 the federal Americans with Disabilities Act of 1990 (42 U.S.C.
17 Sec. 12132), and resolving any doubt in favor of accessibility. In
18 each instance in which notice of the time of the meeting is otherwise
19 given or the agenda for the meeting is otherwise posted, the
20 legislative body shall also give notice of the procedure for receiving
21 and resolving requests for accommodation.

22 (e)

23 (f) This section shall become operative January 1, 2024.

24 SEC. 3. The Legislature finds and declares that Sections 1 and
25 2 of this act, which amend Section 54953 of the Government Code,
26 impose a limitation on the public’s right of access to the meetings
27 of public bodies or the writings of public officials and agencies
28 within the meaning of Section 3 of Article I of the California
29 Constitution. Pursuant to that constitutional provision, the
30 Legislature makes the following findings to demonstrate the interest
31 protected by this limitation and the need for protecting that interest:

32 By removing the requirement for agendas to be placed at the
33 location of each public official participating in a public meeting
34 remotely, including from the member’s private home or hospital
35 room, this act protects the personal, private information of public
36 officials and their families while preserving the public’s right to
37 access information concerning the conduct of the people’s business.

38 SEC. 4. The Legislature finds and declares that Sections 1 and
39 2 of this act, which amend Section 54953 of the Government Code,
40 further, within the meaning of paragraph (7) of subdivision (b) of

1 Section 3 of Article I of the California Constitution, the purposes
2 of that constitutional section as it relates to the right of public
3 access to the meetings of local public bodies or the writings of
4 local public officials and local agencies. Pursuant to paragraph (7)
5 of subdivision (b) of Section 3 of Article I of the California
6 Constitution, the Legislature makes the following findings:

7 This act is necessary to ensure minimum standards for public
8 participation and notice requirements allowing for greater public
9 participation in teleconference meetings.

O

This page intentionally left blank.

ASSEMBLY BILL

No. 2647

Introduced by Assembly Member Levine

February 18, 2022

An act to amend Section 54957.5 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2647, as introduced, Levine. Local government: open meetings.

Existing law, the California Public Records Act, requires state agencies and local agencies to make public records available for inspection, subject to specified criteria, and with specified exceptions. Existing law, the Ralph M. Brown Act, requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Existing law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions.

Existing law requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates. Existing law also requires the local agency to list the address of the office or location on the agenda for all meetings of the legislative body of the agency. Existing law authorizes a local agency to post the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates or post the writings on the local agency's internet website in a position

and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 54957.5 of the Government Code, as
2 amended by Section 208 of Chapter 615 of the Statutes of 2021,
3 is amended to read:

4 54957.5. (a) Notwithstanding Section 7922.000 or any other
5 law, agendas of public meetings and any other writings, when
6 distributed to all, or a majority of all, of the members of a
7 legislative body of a local agency by any person in connection
8 with a matter subject to discussion or consideration at an open
9 meeting of the body, are disclosable public records under the
10 California Public Records Act (Division 10 (commencing with
11 Section 7920.000) of Title 1), and shall be made available upon
12 request without delay. However, this section shall not include any
13 writing exempt from public disclosure under Section 7924.100,
14 7924.105, 7924.110, 7924.510, 7924.700, 7926.205, 7927.410,
15 7927.605, 7928.300, or 7928.710, or any provision listed in Section
16 7920.505.

17 (b) (1) If a writing that is a public record under subdivision (a),
18 and that relates to an agenda item for an open session of a regular
19 meeting of the legislative body of a local agency, is distributed
20 less than 72 hours prior to that meeting, the writing shall be made
21 available for public inspection pursuant to paragraph (2) at the
22 time the writing is distributed to all, or a majority of all, of the
23 members of the body.

24 (2) (A) *Except as provided in subparagraph (B), a local agency*
25 *shall comply with both of the following requirements:*

26 (2)

1 (i) A local agency shall make any writing described in paragraph
2 (1) available for public inspection at a public office or location
3 that the agency shall designate for this purpose. ~~Each~~

4 (ii) ~~Each~~ local agency shall list the address of this office or
5 location on the agendas for all meetings of the legislative body of
6 that agency. ~~The local agency also may post the writing on the~~
7 ~~local agency's internet website in a position and manner that makes~~
8 ~~it clear that the writing relates to an agenda item for an upcoming~~
9 ~~meeting.~~

10 ~~(3) This subdivision shall become operative on July 1, 2008.~~

11 (B) A local agency shall not be required to comply with
12 requirements of subparagraph (A) if both of the following
13 requirements are met:

14 (i) The local agency shall post any writing described in
15 paragraph (1) on the local agency's internet website in a position
16 and manner that makes it clear that the writing relates to an
17 agenda item for an upcoming meeting.

18 (ii) The local agency shall list the web address of the local
19 agency's internet website on the agendas for all meetings of the
20 legislative body of that agency.

21 (c) Writings that are public records under subdivision (a) and
22 that are distributed during a public meeting shall be made available
23 for public inspection at the meeting if prepared by the local agency
24 or a member of its legislative body, or after the meeting if prepared
25 by some other person. These writings shall be made available in
26 appropriate alternative formats upon request by a person with a
27 disability, as required by Section 202 of the Americans with
28 Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal
29 rules and regulations adopted in implementation thereof.

30 (d) This chapter shall not be construed to prevent the legislative
31 body of a local agency from charging a fee or deposit for a copy
32 of a public record pursuant to Section 7922.530, except that a
33 surcharge shall not be imposed on persons with disabilities in
34 violation of Section 202 of the Americans with Disabilities Act of
35 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations
36 adopted in implementation thereof.

37 (e) This section shall not be construed to limit or delay the
38 public's right to inspect or obtain a copy of any record required to
39 be disclosed under the requirements of the California Public
40 Records Act (Division 10 (commencing with Section 7920.000))

1 of Title 1).This chapter shall not be construed to require a
2 legislative body of a local agency to place any paid advertisement
3 or any other paid notice in any publication.

4 SEC. 2. The Legislature finds and declares that Section 1 of
5 this act, which amends Section 54957.5 of the Government Code,
6 furthers, within the meaning of paragraph (7) of subdivision (b)
7 of Section 3 of Article I of the California Constitution, the purposes
8 of that constitutional section as it relates to the right of public
9 access to the meetings of local public bodies or the writings of
10 local public officials and local agencies. Pursuant to paragraph (7)
11 of subdivision (b) of Section 3 of Article I of the California
12 Constitution, the Legislature makes the following findings:

13 Because this act would authorize local agencies to make public
14 documents available by posting the public documents on the local
15 agency's internet website, thus making the public documents
16 available by local agencies more quickly and cost effectively, this
17 act furthers the purpose of Section 3 of Article I of the California
18 Constitution.

O

Introduced by Senator Cortese
(Principal coauthor: Assembly Member Low)

February 16, 2022

An act to amend Section 54957.9 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 1100, as introduced, Cortese. Open meetings: orderly conduct.

(1) Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Existing law requires every agenda for regular meetings of a local agency to provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item, that is within the subject matter jurisdiction of the legislative body. Existing law authorizes the legislative body to adopt reasonable regulations to ensure that the intent of the provisions relating to this public comment requirement is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. Existing law authorizes the members of the legislative body conducting the meeting to order the meeting room cleared and continue in session, as prescribed, if a group or groups have willfully interrupted the orderly conduct of a meeting and order cannot be restored by the removal of individuals who are willfully interrupting the meeting.

This bill would authorize the members of the legislative body conducting a meeting to remove an individual for willfully interrupting the meeting. The bill, except as provided, would require removal to be

preceded by a warning, either by the presiding member of the legislative body or a law enforcement officer, that the individual is disrupting the proceedings and a request that the individual curtail their disruptive behavior or be subject to removal. The bill would similarly require a warning before clearing a meeting room for willful interruptions by a group or groups. The bill would define “willfully interrupting” to mean intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law. The term would include failure to comply with a reasonable regulation adopted in accordance with existing law after a warning and request in accordance with the bill, as applicable. By establishing new requirements for local legislative bodies, this bill would impose a state-mandated program.

(2) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(3) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 54957.9 of the Government Code is
- 2 amended to read:
- 3 ~~54957.9. In the event that~~

1 54957.9. (a) *The members of the legislative body conducting*
2 *a meeting may remove an individual for willfully interrupting the*
3 *meeting. Except as provided in subdivision (c), removal pursuant*
4 *to this subdivision shall be preceded by a warning, either by the*
5 *presiding member of the legislative body or a law enforcement*
6 *officer, that the individual is disrupting the proceedings and a*
7 *request that the individual curtail their disruptive behavior or be*
8 *subject to removal.*

9 (b) *If any meeting is willfully interrupted by a group or groups*
10 *of persons so as to render the orderly conduct of such meeting*
11 *unfeasible individuals and order cannot be restored by the removal*
12 *of individuals who are willfully interrupting the meeting, the*
13 *members of the legislative body conducting the meeting may order*
14 *the meeting room cleared and continue in session. Only Except as*
15 *provided in subdivision (c), a clearing of a meeting room pursuant*
16 *to this section shall be preceded by a warning, either by the*
17 *presiding member of the legislative body or a law enforcement*
18 *officer, that the group or groups are disrupting the proceedings*
19 *and a request that the subject group or groups curtail their*
20 *disruptive behavior or be subject to removal.*

21 (c) *The warning and request provisions of subdivisions (a) and*
22 *(b) do not apply to individuals or groups willfully interrupting a*
23 *meeting with behavior as described in Section 415 of the Penal*
24 *Code.*

25 (d) *Only matters appearing on the agenda may be considered*
26 *in such a session: session continued after clearing the meeting*
27 *room pursuant to subdivision (b). Representatives of the press or*
28 *other news media, except those participating in the disturbance,*
29 *shall be allowed to attend any session held pursuant to this section.*
30 ~~Nothing in this section shall~~

31 (e) *This section does not prohibit the legislative body from*
32 *establishing a procedure for readmitting an individual or individuals*
33 *not responsible for willfully disturbing the orderly conduct of the*
34 *meeting.*

35 (f) *As used in this section, “willfully interrupting” means*
36 *intentionally engaging in behavior during a meeting of a legislative*
37 *body that substantially impairs or renders infeasible the orderly*
38 *conduct of the meeting in accordance with law. “Willfully*
39 *interrupting” includes, but is not limited to, failure to comply with*
40 *a reasonable regulation adopted in accordance with Section*

1 54954.3 after a warning and request in accordance with
2 subdivision (a) or (b), as applicable.

3 SEC. 2. The Legislature finds and declares that Section 1 of
4 this act, which amends Section 54957.9 of the Government Code,
5 imposes a limitation on the public’s right of access to the meetings
6 of public bodies or the writings of public officials and agencies
7 within the meaning of Section 3 of Article I of the California
8 Constitution. Pursuant to that constitutional provision, the
9 Legislature makes the following findings to demonstrate the interest
10 protected by this limitation and the need for protecting that interest:

11 This act is necessary to give legislative bodies clear authorization
12 to restore order to meetings in the event of willful interruptions
13 that are substantially impairing or rendering infeasible the orderly
14 conduct of the meeting and, thereby, preserve the rights of other
15 members of the public at the meeting and allow the legislative
16 body to continue its work on behalf of the public.

17 SEC. 3. The Legislature finds and declares that Section 1 of
18 this act, which amends Section 54957.9 of the Government Code,
19 furthers, within the meaning of paragraph (7) of subdivision (b)
20 of Section 3 of Article I of the California Constitution, the purposes
21 of that constitutional section as it relates to the right of public
22 access to the meetings of local public bodies or the writings of
23 local public officials and local agencies. Pursuant to paragraph (7)
24 of subdivision (b) of Section 3 of Article I of the California
25 Constitution, the Legislature makes the following findings:

26 This act is necessary to give legislative bodies clear authorization
27 to restore order to meetings in the event of willful interruptions
28 that are substantially impairing or rendering infeasible the orderly
29 conduct of the meeting and, thereby, preserve the rights of other
30 members of the public at the meeting and allow the legislative
31 body to continue its work on behalf of the public.

32 SEC. 4. No reimbursement is required by this act pursuant to
33 Section 6 of Article XIII B of the California Constitution because
34 the only costs that may be incurred by a local agency or school
35 district under this act would result from a legislative mandate that
36 is within the scope of paragraph (7) of subdivision (b) of Section
37 3 of Article I of the California Constitution.

O



SENATOR DAVE CORTESE

SB 1100 – Brown Act Modernization to Ensure Open & Safe Meetings

SUMMARY

SB 1100 will ensure safe, open, and accessible public meetings by creating a process to restore order when disruptions occur that prevent a meeting from continuing in accordance with law.

BACKGROUND

The Ralph M. Brown Act was enacted in 1953 to govern the conduct of public meetings for local legislative bodies.

The Brown Act in the California Government Code has been amended before to expand public accessibility while also remaining consistent with the California Constitution and First Amendment principles, including through SB 274 (Wieckowski, 2021) and AB 361 (Robert Rivas, 2021).

The Brown Act, as it stands, authorizes a legislative body to address disruptions through removal of an individual or group of individuals who “willfully interrupt” the proceedings of a public meeting. If, after their removal, order still cannot be restored, the legislative body can order that a meeting room be cleared entirely, while allowing news media to still observe the meeting. In these cases, the legislative body can establish a process to allow individuals who did not cause the disturbance to reenter the meeting room.

ISSUE

It has become increasingly clear that the mechanisms provided by the Brown Act to deal with disruptions during public meetings are insufficient. Across California, public officials and attendees continue to deal with disorderly conduct during meetings at such

a high magnitude that critical business and the legislative process as a whole becomes impaired.

We must take steps to clarify what behavior should be deemed as disruptive to ensure that this definition is only used with absolute neutrality for those rare occurrences and prioritize the safety of our officials who sit on local governing bodies as well as the public.

THIS BILL

This bill would modernize the Brown Act to meet the needs of our present-day local governance systems by:

- Defining what a “willful interruption” is to ensure an individual(s) is removed from a public meeting if they substantially impair or render infeasible the orderly conduct of the meeting in accordance with law; and
- Establishing a warning system to require that removal of an individual(s) causing a willful interruption be preceded by a request that the individual curtail their disruptive behavior or be subject to removal.

FOR MORE INFORMATION

Tara Sreekrishnan
Office of Senator Dave Cortese
Tara.sreekrishnan@sen.ca.gov

This page intentionally left blank.

CALAFCO Daily Legislative Report as of Friday, March 04, 2022

1

[AB 2957](#) (Committee on Local Government) Local government: reorganization.

Current Text: Introduced: 3/2/2022 [html](#) [pdf](#)

Introduced: 3/2/2022

Status: 3/3/2022-From printer. May be heard in committee April 2.

| 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 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 requires that an applicant seeking a change of organization or reorganization to submit a plan for providing services within the affected territory. Current law requires a petitioner or legislative body desiring to initiate proceedings to submit an application to the executive officer of the local agency formation commission, and requires the local agency formation commission, with regard to an application that includes an incorporation, to immediately notify all affected local agencies and any applicable state agency, as specified. This bill would define the term "successor agency," for these purposes to mean the local agency a commission designates to wind up the affairs of a dissolved district.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill sponsored by CALAFCO. As introduced it makes 3 minor, technical non-substantive changes in CKH: (1) Replaces "to be completed and in existence" with "take effect" under GCS 56102; (2) Adds GCS 56078.5: "Successor Agency" means the local agency the Commission designates to wind up the affairs of a dissolved district; and (3) Replaces "proposals" with "applications" within GCS 56653(a), 56654(a), (b), and (c), and 56658(b)(1) and (b) (2).

[SB 938](#) (Hertzberg D) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.

Current Text: Introduced: 2/8/2022 [html](#) [pdf](#)

Introduced: 2/8/2022

Status: 2/16/2022-Referred to Com. on GOV. & F.

| 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 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. Under current law, in each county there is a local agency formation commission that oversees these changes of organization and reorganization. With a specified exception, current law provides for protest proceedings for a change of organization or reorganization following adoption of a resolution making certain determinations by the commission, as provided. Current law sets forth required procedures for the commission following a protest hearing depending on the nature of the conducting authority, as defined, the type of change of organization or reorganization, and the results of the protest proceeding. The bill would reorganize and consolidate the above-described procedures. The bill would make conforming changes and remove obsolete provisions.

Attachments:

[SB 938 LAFCo support letter template](#)

[SB 938 CALAFCO Support letter](#)

[SB 938 CALAFCO Fact Sheet](#)

[SB 938 Author Fact Sheet](#)

Position: Sponsor

Subject: CKH General Procedures, Other

CALAFCO Comments: CALAFCO is the sponsor of this bill. SB 839 represents a collaborative three-year effort (by an 18-member working group) to clean up, consolidate, and clarify existing statutory

provisions associated with consolidations and dissolutions, as well as codify the conditions under which a LAFCo may initiate dissolution of a district at the 25 percent protest threshold. In response to a recommendation made in the 2017 Little Hoover Commission report (Special Districts: Improving Oversight and Transparency), CALAFCO initiated a working group of stakeholders in early 2019 to discuss the protest process for dissolutions of special districts.

The bill's current format (dated 2/8/22) represents the restructuring of existing protest provisions scattered throughout CKH. There have been some minor technical language added for clarifications. These changes are all minor in nature (by legislative standards).

The bill will be amended to reflect the newly designed process that codifies the ability for LAFCo to initiate a district dissolution at 25% protest threshold. The conditions under which this can occur include one or more of the following, any/all of which must be documented via determinations in a Municipal Service Review (MSR):

1. The agency has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies;
2. The agency spent public funds in an unlawful or reckless manner inconsistent with the principal act or other statute governing the agency and has not taken any action to prevent similar future spending;
3. The agency has consistently shown willful neglect by failing to consistently adhere to the California Public Records Act and other public disclosure laws the agency is subject to;
4. The agency has failed to meet the minimum number of times required in its governing act in the prior calendar year and has taken no action to remediate the failures to meet to ensure future meetings are conducted on a timely basis;
5. The agency has consistently failed to perform timely audits in the prior three years, or failed to meet minimum financial requirements under Government Code section 26909 over the prior five years as an alternative to performing an audit, or the agency's recent annual audits show chronic issues with the agency's fiscal controls and the agency has taken no action to remediate the issues.

The proposed process is:

1. LAFCo to present the MSR in a 21-day noticed public hearing. At that time the LAFCo may choose to adopt a resolution of intent to dissolve the district. The resolution shall contain a minimum 12-month remediation period.
2. The district will have a minimum of 12 months to remediate the deficiencies.
3. Half-way through the remediation period, the district shall provide LAFCo a written report on the progress of their remediation efforts. The report is to be placed on a LAFCo meeting agenda and presented at that LAFCo meeting.
4. At the conclusion of the remediation period, LAFCo conducts another 21-day noticed public hearing to determine if district has remedied deficiencies. If the district has resolved issues, commission rescinds the resolution of intent to dissolve the district and the matter is dropped. If not, commission adopts a resolution making determinations to dissolve the district.
5. Standard 30-day reconsideration period.
6. Protest proceedings at 25% threshold can be noticed with a required 60-day protest period.
7. Protest hearing is held and amount of qualified protests determined based on 25% threshold. LAFCo either orders dissolution, election, or termination.

As this bill - when amended - adds requirements for LAFCOs and districts, it will likely be keyed fiscal (for now it is not). An author fact sheet and CALAFCO fact sheet are posted in our attachments section as well as the CALAFCO Support letter and LAFCo support letter template.

SB 1490 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/1/2022-From printer.

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

Summary:

Would enact the First Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This is the first of three annual validating acts.

SB 1491 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/1/2022-From printer.

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

Summary:

Would enact the Second Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This is the second of three annual validating acts

[SB 1492](#) (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/1/2022-From printer.

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

Summary:

Would enact the Third Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This is the third of three annual validating acts.

2

[AB 1640](#) (Ward D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Introduced: 1/12/2022 [html](#) [pdf](#)

Introduced: 1/12/2022

Status: 1/20/2022-Referrred to Com. on NAT. RES.

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

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state’s climate adaptation strategy, known as the Safeguarding California Plan. Existing law establishes the Office of Planning and Research in state government in the Governor’s office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks.

Attachments:

[AB 1640 Author Fact](#)

Subject: Climate Change

CALAFCO Comments: This bill is a follow up and very similar to AB 897 (2021). The bill would authorize eligible entities, as defined (including LAFCo), to establish and participate in a regional climate network, as defined. The bill would authorize a regional climate network to engage in activities to address climate change, as specified. Further, it requires a regional climate network to develop a regional climate adaptation and resilience action plan and to submit the plan to OPR for review, comments, and certification. The bill would require OPR to: (1) encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks; (2) develop and publish guidelines on how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks by 7-1-23; and (3) provide technical assistance to regions seeking to establish a regional climate network, facilitate coordination between

regions, and encourage regions to incorporate as many eligible entities into one network as feasible.

The difference between this bill and AB 897 is this bill removes requirements for OPR to develop guidelines and establish standards and required content for a regional climate adaptation and resilience action plan (to be produced by the network), and removes some specified technical support requirements by OPR. Those requirements were covered in SB 170, a budget trailer bill from 2021.

The bill is author-sponsored and keyed fiscal. An author fact sheet is included in our attachments area.

AB 1773 (Patterson R) Williamson Act: subvention payments: appropriation.

Current Text: Introduced: 2/3/2022 [html](#) [pdf](#)

Introduced: 2/3/2022

Status: 2/10/2022-Referred to Coms. on AGRI. and L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

The Williamson Act, also known as the California Land Conservation Act of 1965, authorizes a city or county to enter into contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts and continuously appropriates General Fund moneys for that purpose. This bill, for the 2022–23 fiscal year, would appropriate an additional \$40,000,000 from the General Fund to the Controller to make subvention payments to counties, as provided, in proportion to the losses incurred by those counties by reason of the reduction of assessed property taxes. The bill would make various findings in this regard.

Attachments:

[AB 1773 Author Fact Sheet](#)

Position: Watch

Subject: Ag Preservation - Williamson

CALAFCO Comments: AB 1773 resurrects funding the Williamson Act for the 2022-2023 budget year. The Williamson Act was created to preserve open space and conserve agricultural land. For many years, the state funded the Act at around \$35-\$40 million per year. This funding ceased during the recession, and has not been reinstated since. AB 1773 would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments.

The bill is author-sponsored, has a general-fund appropriation, and is keyed fiscal. An author fact sheet is posted in our attachments section.

AB 1944 (Lee D) Local government: open and public meetings.

Current Text: Introduced: 2/10/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Status: 2/18/2022-Referred to Com. on L. GOV.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would specify that if a member of a legislative body elects to teleconference from a location that is not public, the address does not need to be identified in the notice and agenda or be accessible to the public when the legislative body has elected to allow members to participate via teleconferencing.

Attachments:

[AB 1944 Author Fact Sheet](#)

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill would delete the requirement that an individual participating in a Brown Act meeting remotely from a non-public location must disclose the address of the location. If the governing body chooses to allow for remote participation, it must also provide video streaming and offer public comment via video or phone.

The bill is author sponsored and keyed fiscal. The author's fact sheet is posted in our attachments area.

AB 2081 (Garcia, Eduardo D) Municipal water districts: water service: Indian lands.

Current Text: Introduced: 2/14/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Status: 2/24/2022-Referred to Com. on L. GOV.

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

Summary:

Te Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe’s lands that are not within a district, as prescribed. Current law also authorizes a district, until January 1, 2023, under specified circumstances, to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district and requires the local agency formation commission to approve such an application. This bill would extend the above provisions regarding the application to the applicable local agency formation commission to January 1, 2025.

Attachments:

[AB 2081 Author Fact Sheet](#)

Position: Watch

Subject: Water

CALAFCO Comments: This bill extends the sunset date created in AB 1361 (2017). Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe’s lands that are not within a district, as prescribed. Current law also authorizes a district, under specified circumstances, to apply to the applicable LAFCo to provide this service of water to Indian lands, as defined, that are not within the district and requires the LAFCo to approve such an application. This bill extends the sunset date from January 1, 2023 to January 1, 2025.

CALAFCO opposed AB 1361 in 2017 as the process requires LAFCo to approve the extension of service, requires the district to extend the service, and does not require annexation upon extension of service. CALAFCO reached out to the author's office requesting information as to the reason for the extension and we have not been given a reason.

The bill is keyed fiscal. An author fact sheet is included in the attachments area.

AB 2449 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/3/2022-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, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would authorize a local agency to use teleconferencing without complying with those specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency’s jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill authorizes the use of teleconferencing without noticing and making

available to the public teleconferencing locations if a quorum of the members of the legislative body participate in person from a singular location that is noticed and open to the public and require the legislative body to offer public comment via video or phone.

CALAFCO reached out to the author's office for information and we've not yet heard back. The bill is not keyed fiscal.

AB 2647 (Levine D) Local government: open meetings.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 2/19/2022-From printer. May be heard in committee March 21.

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

Summary:

The Ralph M. Brown Act requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Current law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions. Current law requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates. This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates or post the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill seeks to amend the law to make clear that writings that have been distributed to a majority of a local legislative body less than 72 hours before a meeting can be posted online in order to satisfy the law.

The bill is sponsored by the League of Cities and is not keyed fiscal.

SB 852 (Dodd D) Climate resilience districts: formation: funding mechanisms.

Current Text: Introduced: 1/18/2022 [html](#) [pdf](#)

Introduced: 1/18/2022

Status: 2/7/2022-Art. IV. Sec. 8(a) of the Constitution dispensed with. (Ayes 31. Noes 6.) Joint Rule 55 suspended. (Ayes 31. Noes 6.)

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

Summary:

Current law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Existing law provides for the financing of these activities by, among other things, the issuance of bonds serviced by property tax increment revenues, and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities. This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would define "eligible project" for these purposes.

Attachments:

[SB 852 Author Fact Sheet](#)

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: This bill creates the Climate Resilience Districts Act. The bill completely bypasses LAFCo in the formation and oversight of these new districts because the districts are primarily being created as a funding mechanism for local climate resilience projects (as a TIF or tax increment finance district - for which LAFCos also have no involvement).

The bill authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill defines "eligible project" to mean

projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified. The bill authorizes a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities. The bill also authorizes specified local entities to adopt a resolution to provide property tax increment revenues to the district. The bill would also authorize specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements. The bill would provide for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. It requires 95% of monies collected to fund eligible projects, and 5% for district administration. The bill would require each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually.

Section 62304 details the formation process, Section 62305 addresses the district's governance structure, and 62307 outlines the powers of the district.

This bill is sponsored by the Local Government Commission and is keyed fiscal. A fact sheet is included in our attachments section.

SB 1100 (Cortese D) Open meetings: orderly conduct.

Current Text: Introduced: 2/16/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Status: 2/23/2022- Referred to Coms. on GOV. & F. and JUD.

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

Summary:

Would authorize the members of the legislative body conducting a meeting to remove an individual for willfully interrupting the meeting. The bill, except as provided, would require removal to be preceded by a warning, either by the presiding member of the legislative body or a law enforcement officer, that the individual is disrupting the proceedings and a request that the individual curtail their disruptive behavior or be subject to removal. The bill would similarly require a warning before clearing a meeting room for willful interruptions by a group or groups. The bill would define "willfully interrupting" to mean intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law. The term would include failure to comply with a reasonable regulation adopted in accordance with existing law after a warning and request in accordance with the bill, as applicable. By establishing new requirements for local legislative bodies, this bill would impose a state-mandated program.

Attachments:

[SB 1100 Author Fact Sheet](#)

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill would authorize the removal of an individual from a public meeting who is "willfully interrupting" the meeting after a warning and a request to stop their behavior. "Willfully interrupting" is defined as intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law.

The bill is author-sponsored and keyed fiscal. An author fact sheet is posted in our attachments section.

3

AB 897 (Mullin D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Amended: 7/14/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 7/14/2021

Status: 8/27/2021- Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/16/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

Attachments:

[CALAFCO Support July 2021](#)

[AB 897 Fact Sheet](#)

Position: Support

Subject: Climate Change

CALAFCO Comments: As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

As amended 4/19/21: There is no longer a requirement for OPR to include in their guidelines how a regional climate network may develop their plan: it does require ("may" to "shall") a regional climate network to develop a regional climate adaptation plan and submit it to OPR for approval; adds requirements of what OPR shall publish on their website; and makes several other minor technical changes.

As amended 7/1/21, the bill now explicitly names LAFCo as an eligible entity. It also adjusts several timelines for OPR's requirements including establishing boundaries for the regional climate networks, develop guidelines and establish standards for the networks, and to make recommendations to the Legislature related to regional adaptation. Give the addition of LAFCo as an eligible entity, CALAFCO is now in support of the bill.

Amendments of 7/14/21, as requested by the Senate Natural Resources & Water Committee, mostly do the following: (1) Include "resilience" to climate adaptation; (2) Prioritize the most vulnerable communities; (3) Add definitions for "under-resourced" and "vulnerable" communities; (4) Remove the requirement for OPR to establish geographic boundaries for the regional climate networks; (5) Include agencies with hazard mitigation authority and in doing so also include the Office of Emergency Services to work with OPR to establish guidelines and standards required for the climate adaptation and resilience plan; and (6) Add several regional and local planning documents to be used in the creation of guidelines.

2/24/22 UPDATE: It appears this bill is being replaced with AB 1640 (Ward, Mullin, etc.). CALAFCO will keep this bill on Watch and follow the new bill.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/19/2021)(May be acted upon Jan 2022)

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

Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district’s territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district’s health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

Position: Watch

CALAFCO Comments: This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

The bill did not pass out of Senate Governance & Finance Committee and will not move forward this year. It may be acted on in 2022.

2022 UPDATE: Given Member Frazier is no longer in the Assembly and the appellate court overturned the lower court's decision, it is likely the bill will not move forward. CALAFCO will retain WACTH on the bill.

AB 975 (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.

Current Text: Amended: 5/18/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/18/2021

Status: 2/1/2022-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:

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

Position: Watch

Subject: FPPC

CALAFCO Comments: As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in

which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

UPDATE AS OF 2/24/22 - The author's office indicates they are moving forward with the bill this year and are planning amendments. They are not clear what those amendments will be so CALAFCO will retain a WATCH position on the bill.

AB 1195 (Garcia, Cristina D) Drinking water.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/24/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 6/9/2021)(May be acted upon Jan 2022)

| Desk | Policy | Fiscal | Floor | Desk | 2 year | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

Attachments:

[CALAFCO Letter of Concern - April 2021](#)

[AB 1195 Fact Sheet](#)

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives

protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

THIS IS NOW A 2-YEAR BILL.

UPDATE AS OF 2/10/22 - According to the author's office, the author is not intending to move the bill forward at this time. CALAFCO will continue to WATCH and monitor the bill. As a result, the bill was downgraded from a P-1 to a P-3.

AB 1935 (Grayson D) Resource conservation districts: formation.

Current Text: Introduced: 2/10/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Status: 2/18/2022-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 authorizes the formation of a resource conservation district in accordance with prescribed procedures for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and the improvement of land capabilities. Under current law, a proposal to form a district may be made by a petition of registered voters, as specified. Current law requires, within 30 days after the date of filing a petition, the executive officer of the local agency formation commission to cause the petition to be examined and prepare a certificate of sufficiency, as provided. Current law authorizes, within 15 days after a notice of insufficiency, the chief petitioners to file with the executive officer a supplemental petition, as provided. Current law requires, within 10 days after the date of filing a supplemental petition, the executive officer to examine the supplemental petition and certify in writing the results of their examination. This bill would increase the amount of time, from 30 to 45 days after the date of filing a petition, for the executive officer of the local agency formation commission to cause the petition to be examined and prepare a certificate of sufficiency.

Position: Placeholder - Spot Bill

Subject: LAFCo Administration

CALAFCO Comments: According to the author's office, this is a spot bill and the topic will change. CALAFCO was unaware of the bill prior to introduction.

AB 2041 (Garcia, Eduardo D) California Safe Drinking Water Act: primary drinking water standards: compliance.

Current Text: Introduced: 2/14/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Status: 2/24/2022-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:

Would require the State Water Resources Control Board to take specified actions if the state board adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of water treatment systems, to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

Attachments:

[AB 2041 Author Fact Sheet](#)

Position: Watch

Subject: Water

CALAFCO Comments: This bill would require the SWRCB to take specified actions if the SWRCB adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of

water treatment systems, to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

CALAFCO reached out to the author's office for information on the bill and has not heard back. The bill is keyed fiscal. An author fact sheet is attached.

SB 12 (McGuire D) Local government: planning and zoning: wildfires.

Current Text: Amended: 7/1/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 7/1/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was H. & C.D. on 6/24/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: UPDATE 2/24/22: According to the author's office, they do plan to move this bill forward in 2022 and no other details are available at this time.

SB 418 (Laird D) Pajaro Valley Health Care District.

Current Text: Chaptered: 2/4/2022 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amended: 1/24/2022

Status: 2/4/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 1, Statutes of 2022.

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

Summary:

Would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors.

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: Gut and amended on 1/14/22, this bill forms the Pajaro Valley Health Care District within Santa Cruz and Monterey counties. The formation, done by special legislation, bypasses the LAFCo process, with language explicitly stating upon formation, LAFCo shall have authority. The bill requires that within 5 years of the date of the first meeting of the Board of Directors of the district, the board of directors shall divide the district into zones. The bill would require the district to notify Santa Cruz LAFCo when the district, or any other entity, acquires the Watsonville Community Hospital. The bill requires the LAFCo to order the dissolution of the district if the hospital has not been acquired by January 1, 2024 through a streamlined process, and requires the district to notify LAFCo if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility, requiring the LAFCo to dissolve the district under those circumstances in a streamlined process.

Given the hospital has filed bankruptcy and this is the only hospital in the area and serves disadvantaged communities and employs a large number of people in the area, the bill has an urgency clause.

Several amendments were added on 1/24/22 by the ALGC and SGFC all contained within Section 32498.7.

CALAFCO worked closely with the author's office, Santa Cruz County lobbyist and the Santa Cruz and Monterey LAFcos on this bill. We have requested further amendments which the Senator has agreed to take in a follow-up bill this year. Those amendments include requiring Santa Cruz LAFco to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFco for the first 3 years, Santa Cruz LAFco conducting a special study on the district after 3 years, and representation from both counties on the governing board.

The bill is sponsored by the Pajaro Valley Healthcare District Project and is not keyed fiscal.

SB 969 (Laird D) Pajaro Valley Health Care District.

Current Text: Amended: 3/2/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Last Amended: 3/2/2022

Status: 3/2/2022-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Current law creates the Pajaro Valley Health Care District, as specified, and authorizes the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors. Current law requires, within 5 years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors to divide the district into zones and number the zones consecutively. Current law requires the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to govern any organizational changes for the district after formation. Current law requires the district to notify the County of Santa Cruz local agency formation commission (LAFCO) when the district, or any other entity, acquires the Watsonville Community Hospital. Existing law requires the LAFCO to dissolve the district under certain circumstances. This bill would require the LAFCO to develop and determine a sphere of influence for the district within one year of the district's date of formation, and to conduct a municipal service review regarding health care provision in the district by December 31, 2025, and by December 31 every 5 years thereafter.

Position: Watch

Subject: Other

CALAFCO Comments: This bill is a follow up to SB 418 (Laird) and contains some of the amendments requested by CALAFCO and Monterey and Santa Cruz LAFcos. As introduced the bill requires Santa Cruz LAFco to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFco for the first 2 years, Santa Cruz LAFco conducting a Municipal Service Review on the district every 5 years with the first being conducted by 12-31-25. Our final requested amendment, ensuring representation from both counties on the governing board, is still being worked on and not reflected in the introduced version of the bill.

SB 1449 (Caballero D) Unincorporated areas.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 2/22/2022-From printer.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Summary:

Would state the intent of the Legislature to establish the policy of the state to ensure that the living standards within unincorporated areas of the state are consistent with standards of cities within the same county and funding mechanisms to support the financial investments required by cities and counties to accomplish this goal.

Position: Placeholder - Spot Bill

Subject: Other

CALAFCO Comments: This is currently a spot bill. According to the author's office, they are working on state funding to incentivize annexation of inhabited territory (when the VLF was taken away, so too was any financial incentive to annex inhabited territory). For many years bills have been run to reinstate funding, none of which have ever successfully passed. There is no other information available on this bill at this time. CALAFCO will continue conversations with the author's office as this is an important topic for LAFcos. (The bill will remain a P-3 until amended.)

SB 1489 (Committee on Governance and Finance) Local Government Omnibus Act of 2022.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/1/2022-From printer.

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

Summary:

Current law sets forth requirements for the passage of city ordinances. Current law requires ordinances to be read in full either at the time of introduction or passage except when, after reading the title, further reading is waived by regular motion adopted by majority vote of the legislative body. This bill would provide that a reading of the title or ordinance is not required if the title is included on the published agenda and a copy of the full ordinance is made available to the public online and in print at the meeting prior to the introduction or passage.

Position: Watch

CALAFCO Comments: This is the Senate Governance & Finance Committee annual omnibus bill.

Total Measures: 24

Total Tracking Forms: 24

CALAFCO Daily Legislative Report as of Friday, March 25, 2022

1

[AB 2957](#) (Committee on Local Government) Local government: reorganization.

Current Text: Introduced: 3/2/2022 [html](#) [pdf](#)

Introduced: 3/2/2022

Status: 3/17/2022- Referred to Com. on L. GOV.

| 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 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 requires that an applicant seeking a change of organization or reorganization to submit a plan for providing services within the affected territory. Current law requires a petitioner or legislative body desiring to initiate proceedings to submit an application to the executive officer of the local agency formation commission, and requires the local agency formation commission, with regard to an application that includes an incorporation, to immediately notify all affected local agencies and any applicable state agency, as specified. This bill would define the term "successor agency," for these purposes to mean the local agency a commission designates to wind up the affairs of a dissolved district.

Attachments:

- [LAFCo Support letter template](#)
- [CALAFCO Support letter](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill sponsored by CALAFCO. As introduced it makes 3 minor, technical non-substantive changes in CKH: (1) Replaces "to be completed and in existence" with "take effect" under GCS 56102; (2) Adds GCS 56078.5: "Successor Agency" means the local agency the Commission designates to wind up the affairs of a dissolved district; and (3) Replaces "proposals" with "applications" within GCS 56653(a), 56654(a), (b), and (c), and 56658(b)(1) and (b)(2).

CALAFCO support letter and LAFCo support letter template are in the attachments section.

[SB 938](#) (Hertzberg D) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.

Current Text: Amended: 3/24/2022 [html](#) [pdf](#)

Introduced: 2/8/2022

Last Amended: 3/24/2022

Status: 3/24/2022-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:

3/31/2022 Upon adjournment of Session - 1021 O Street, Room 2200 SENATE GOVERNANCE AND FINANCE, CABALLERO, Chair

Summary:

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. Under existing law, in each county there is a local agency formation commission (commission) that oversees these changes of organization and reorganization. Existing law authorizes a commission to dissolve an inactive district if specified conditions are satisfied. This bill would also authorize a commission to initiate a proposal for the dissolution of a district if the commission approves, adopts, or accepts a

specified study that includes a finding, based on a preponderance of the evidence, that, among other things, the district has one or more documented chronic service provision deficiencies, the district spent public funds in an unlawful or reckless manner, or the district has shown willful neglect by failing to consistently adhere to the California Public Records Act. The bill would require the commission to adopt a resolution of intent to initiate a dissolution based on these provisions and to provide a remediation period of at least 12 months, during which the district may take steps to remedy the stated deficiencies. The bill would authorize the commission, at the conclusion of the remediation period, to find that the district has failed to remedy the deficiencies and adopt a resolution to dissolve the district. This bill contains other related provisions and other existing laws.

Attachments:

[SB 938 LAFCo support letter template](#)
[SB 938 CALAFCO Support letter](#)
[SB 938 CALAFCO Fact Sheet](#)
[SB 938 Author Fact Sheet](#)

Position: Sponsor

Subject: CKH General Procedures, Other

CALAFCO Comments: CALAFCO is the sponsor of this bill. SB 839 represents a collaborative three-year effort (by an 18-member working group) to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which a LAFCo may initiate dissolution of a district at the 25 percent protest threshold. In response to a recommendation made in the 2017 Little Hoover Commission report (Special Districts: Improving Oversight and Transparency), CALAFCO initiated a working group of stakeholders in early 2019 to discuss the protest process for dissolutions of special districts.

The bill's current format (dated 2/8/22) represents the restructuring of existing protest provisions scattered throughout CKH. There have been some minor technical language added for clarifications. These changes are all minor in nature (by legislative standards).

The bill will be amended to reflect the newly designed process that codifies the ability for LAFCo to initiate a district dissolution at 25% protest threshold. The conditions under which this can occur include one or more of the following, any/all of which must be documented via determinations in a Municipal Service Review (MSR):

1. The agency has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other government regulations and its board or management is not actively engaged in efforts to remediate the documented service deficiencies;
2. The agency spent public funds in an unlawful or reckless manner inconsistent with the principal act or other statute governing the agency and has not taken any action to prevent similar future spending;
3. The agency has consistently shown willful neglect by failing to consistently adhere to the California Public Records Act and other public disclosure laws the agency is subject to;
4. The agency has failed to meet the minimum number of times required in its governing act in the prior calendar year and has taken no action to remediate the failures to meet to ensure future meetings are conducted on a timely basis;
5. The agency has consistently failed to perform timely audits in the prior three years, or failed to meet minimum financial requirements under Government Code section 26909 over the prior five years as an alternative to performing an audit, or the agency's recent annual audits show chronic issues with the agency's fiscal controls and the agency has taken no action to remediate the issues.

The proposed process is:

1. LAFCo to present the MSR in a 21-day noticed public hearing. At that time the LAFCo may choose to adopt a resolution of intent to dissolve the district. The resolution shall contain a minimum 12-month remediation period.
2. The district will have a minimum of 12 months to remediate the deficiencies.
3. Half-way through the remediation period, the district shall provide LAFCo a written report on the progress of their remediation efforts. The report is to be placed on a LAFCo meeting agenda and presented at that LAFCo meeting.
4. At the conclusion of the remediation period, LAFCo conducts another 21-day noticed public hearing to determine if district has remedied deficiencies. If the district has resolved issues, commission rescinds the resolution of intent to dissolve the district and the matter is dropped. If not, commission adopts a resolution making determinations to dissolve the district.

ATTACHMENT B

5. Standard 30-day reconsideration period.
6. Protest proceedings at 25% threshold can be noticed with a required 60-day protest period.
7. Protest hearing is held and amount of qualified protests determined based on 25% threshold. LAFCo either orders dissolution, election, or termination.

As this bill - when amended - adds requirements for LAFCOs and districts, it will likely be keyed fiscal (for now it is not). An author fact sheet and CALAFCO fact sheet are posted in our attachments section as well as the CALAFCO Support letter and LAFCo support letter template.

SB 1490 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/24/2022-Read third time. Urgency clause adopted. Passed. (Ayes 39. 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:

Would enact the First Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[SB 1490-1491-1492, CALAFCO Letter of Support - March 2022](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: This is the first of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

SB 1491 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/24/2022-Read third time. Urgency clause adopted. Passed. (Ayes 39. 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:

Would enact the Second Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[SB 1490-1491-1492, CALAFCO Letter of Support - March 2022](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: This is the second of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

SB 1492 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/24/2022-Read third time. Passed. (Ayes 39. 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:

Would enact the Third Validating Act of 2022, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[SB 1490-1491-1492, CALAFCO Letter of Support - March 2022](#)

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: This is the third of three annual validating acts. The CALAFCO Support letter is posted in our attachments.

AB 1640 (Ward D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Amended: 3/23/2022 [html](#) [pdf](#)

Introduced: 1/12/2022

Last Amended: 3/23/2022

Status: 3/24/2022-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 requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks.

Attachments:

[AB 1640, CALAFCO Letter of Support - March 2022](#)

[AB 1640 Author Fact](#)

Position: Support

Subject: Climate Change

CALAFCO Comments: This bill is a follow up and very similar to AB 897 (2021). The bill would authorize eligible entities, as defined (including LAFCo), to establish and participate in a regional climate network, as defined. The bill would authorize a regional climate network to engage in activities to address climate change, as specified. Further, it requires a regional climate network to develop a regional climate adaptation and resilience action plan and to submit the plan to OPR for review, comments, and certification. The bill would require OPR to: (1) encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks; (2) develop and publish guidelines on how eligible entities may establish regional climate networks and how governing boards may be established within regional climate networks by 7-1-23; and (3) provide technical assistance to regions seeking to establish a regional climate network, facilitate coordination between regions, and encourage regions to incorporate as many eligible entities into one network as feasible.

The difference between this bill and AB 897 is this bill removes requirements for OPR to develop guidelines and establish standards and required content for a regional climate adaptation and resilience action plan (to be produced by the network), and removes some specified technical support requirements by OPR. Those requirements were covered in SB 170, a budget trailer bill from 2021.

The bill is author-sponsored and keyed fiscal. An author fact sheet is included in our attachments area, as well as the CALAFCO Support letter.

AB 1773 (Patterson R) Williamson Act: subvention payments: appropriation.

Current Text: Introduced: 2/3/2022 [html](#) [pdf](#)

Introduced: 2/3/2022

Status: 2/10/2022-Referred to Coms. on AGRI. and L. GOV.

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

Summary:

The Williamson Act, also known as the California Land Conservation Act of 1965, authorizes a city or county to enter into contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts and continuously appropriates General Fund moneys for that purpose. This bill, for the 2022–23 fiscal year, would appropriate an additional \$40,000,000 from the General Fund to the Controller to make subvention payments to counties, as provided, in proportion to the losses incurred by those counties by reason of the reduction of assessed property taxes. The bill would make various findings in this regard.

Attachments:

- [AB 1773 CALAFCO Letter of Support - March 2022](#)
- [AB 1773 Author Fact Sheet](#)

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: AB 1773 resurrects funding the Williamson Act for the 2022-2023 budget year. The Williamson Act was created to preserve open space and conserve agricultural land. For many years, the state funded the Act at around \$35-\$40 million per year. This funding ceased during the recession, and has not been reinstated since. AB 1773 would allocate \$40 million from the General Fund to the Williamson Act for the purpose of subvention payments.

The bill is author-sponsored, has a general-fund appropriation, and is keyed fiscal. An author fact sheet is posted in our attachments section, along with the CALAFCO Support letter.

[AB 1944](#) (Lee D) Local government: open and public meetings.

Current Text: Introduced: 2/10/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Status: 2/18/2022-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, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would specify that if a member of a legislative body elects to teleconference from a location that is not public, the address does not need to be identified in the notice and agenda or be accessible to the public when the legislative body has elected to allow members to participate via teleconferencing.

Attachments:

- [AB 1944 Author Fact Sheet](#)

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill would delete the requirement that an individual participating in a Brown Act meeting remotely from a non-public location must disclose the address of the location. If the governing body chooses to allow for remote participation, it must also provide video streaming and offer public comment via video or phone.

The bill is author sponsored and keyed fiscal. The author's fact sheet is posted in our attachments area.

[AB 2081](#) (Garcia, Eduardo D) Municipal water districts: water service: Indian lands.

Current Text: Introduced: 2/14/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (March 23). Re-referred to Com. on APPR.

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

Summary:

Te Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, until January 1, 2023, under specified circumstances, to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district and requires the local agency formation commission to approve such an application. This bill would extend the above provisions regarding the application to the applicable local agency formation commission to January 1, 2025.

Attachments:

[AB 2081 CALAFCO Oppose 03-16-2022](#)

[AB 2081 Author Fact Sheet](#)

Position: Oppose

Subject: Water

CALAFCO Comments: This bill extends the sunset date created in AB 1361 (2017). Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, under specified circumstances, to apply to the applicable LAFCo to provide this service of water to Indian lands, as defined, that are not within the district and requires the LAFCo to approve such an application. This bill extends the sunset date from January 1, 2023 to January 1, 2025.

CALAFCO opposed AB 1361 in 2017 as the process requires LAFCo to approve the extension of service, requires the district to extend the service, and does not require annexation upon extension of service. CALAFCO reached out to the author's office requesting information as to the reason for the extension and we have not been given a reason.

The bill is keyed fiscal. An author fact sheet is included in the attachments area, as well as the CALAFCO letter in opposition.

[AB 2449](#) (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Introduced: 2/17/2022 [html](#) [pdf](#)

Introduced: 2/17/2022

Status: 3/3/2022- 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, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would authorize a local agency to use teleconferencing without complying with those specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill authorizes the use of teleconferencing without noticing and making available to the public teleconferencing locations if a quorum of the members of the legislative body participate in person from a singular location that is noticed and open to the public and require the legislative body to offer public comment via video or phone.

CALAFCO reached out to the author's office for information and we've not yet heard back. The bill is not keyed fiscal.

AB 2647 (Levine D) Local government: open meetings.

Current Text: Introduced: 2/18/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Status: 3/10/2022-Referred to Coms. on L. GOV. and JUD.

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

Summary:

The Ralph M. Brown Act requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Current law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions. Current law requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates. This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates or post the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill seeks to amend the law to make clear that writings that have been distributed to a majority of a local legislative body less than 72 hours before a meeting can be posted online in order to satisfy the law.

The bill is sponsored by the League of Cities and is not keyed fiscal.

SB 852 (Dodd D) Climate resilience districts: formation: funding mechanisms.

Current Text: Amended: 3/9/2022 [html](#) [pdf](#)

Introduced: 1/18/2022

Last Amended: 3/9/2022

Status: 3/22/2022-Set for hearing March 31. March 31 set for first hearing canceled at the request of author.

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

Summary:

Current law authorizes certain local agencies to form a community revitalization authority (authority) within a community revitalization and investment area, as defined, to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization. Current law provides for the financing of these activities by, among other things, the issuance of bonds serviced by property tax increment revenues, and requires the authority to adopt a community revitalization and investment plan for the community revitalization and investment area that includes elements describing and governing revitalization activities. This bill would authorize a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill would define "eligible project" to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified.

Attachments:

[SB 852 Author Fact Sheet](#)

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: This bill creates the Climate Resilience Districts Act. The bill completely bypasses LAFCo in the formation and oversight of these new districts because the districts are primarily being created as a funding mechanism for local climate resilience projects (as a TIF or tax increment finance district - for which LAFCos also have no involvement).

The bill authorizes a city, county, city and county, special district, or a combination of any of those

entities to form a climate resilience district for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. The bill defines “eligible project” to mean projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified. The bill authorizes a district created pursuant to these provisions to have boundaries that are identical to the boundaries of the participating entities or within the boundaries of the participating entities. The bill also authorizes specified local entities to adopt a resolution to provide property tax increment revenues to the district. The bill would also authorize specified local entities to adopt a resolution allocating other tax revenues to the district, subject to certain requirements. The bill would provide for the financing of the activities of the district by, among other things, levying a benefit assessment, special tax, property-related fee, or other service charge or fee consistent with the requirements of the California Constitution. It requires 95% of monies collected to fund eligible projects, and 5% for district administration. The bill would require each district to prepare an annual expenditure plan and an operating budget and capital improvement budget, which must be adopted by the governing body of the district and subject to review and revision at least annually.

Section 62304 details the formation process, Section 62305 addresses the district's governance structure, and 62307 outlines the powers of the district.

This bill is sponsored by the Local Government Commission and is keyed fiscal. A fact sheet is included in our attachments section.

SB 1100 (Cortese D) Open meetings: orderly conduct.

Current Text: Amended: 3/21/2022 [html](#) [pdf](#)

Introduced: 2/16/2022

Last Amended: 3/21/2022

Status: 3/22/2022-Set for hearing April 5.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Vetoed | Chapters |
|-----------|--------|--------|-------|-----------|--------|--------|-------|-------------|----------|--------|----------|
| 1st House | | | | 2nd House | | | | | | | |

Calendar:

4/5/2022 1:30 p.m. - 1021 O Street, Room 1200 SENATE JUDICIARY, UMBERG, Chair

Summary:

Current law authorizes the members of the legislative body conducting the meeting to order the meeting room cleared and continue in session, as prescribed, if a group or groups have willfully interrupted the orderly conduct of a meeting and order cannot be restored by the removal of individuals who are willfully interrupting the meeting. This bill would authorize the presiding member of the legislative body conducting a meeting to remove an individual for willfully interrupting the meeting. The bill, except as provided, would require removal to be preceded by a warning by the presiding member of the legislative body that the individual is disrupting the proceedings, a request that the individual curtail their disruptive behavior or be subject to removal, and a reasonable opportunity to cease the disruptive behavior. The bill would similarly require a warning, a request that the individual curtail their disruptive behavior or be subject to removal, and a reasonable opportunity to cease the disruptive behavior before clearing a meeting room for willful interruptions by a group or groups. The bill would define “willfully interrupting” to mean intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law and applicable rules, as specified.

Attachments:

[SB 1100 Author Fact Sheet](#)

Position: Watch

Subject: Brown Act

CALAFCO Comments: This bill would authorize the removal of an individual from a public meeting who is “willfully interrupting” the meeting after a warning and a request to stop their behavior. “Willfull interrupting” is defined as intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law.

The bill is author-sponsored and keyed fiscal. An author fact sheet is posted in our attachments section.

[AB 897](#) (Mullin D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Current Text: Amended: 7/14/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 7/14/2021

Status: 8/27/2021-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/16/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

Attachments:

[CALAFCO Support July 2021](#)

[AB 897 Fact Sheet](#)

Position: Support

Subject: Climate Change

CALAFCO Comments: As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

As amended 4/19/21: There is no longer a requirement for OPR to include in their guidelines how a regional climate network may develop their plan: it does require ("may" to "shall") a regional climate network to develop a regional climate adaptation plan and submit it to OPR for approval; adds requirements of what OPR shall publish on their website; and makes several other minor technical changes.

As amended 7/1/21, the bill now explicitly names LAFCo as an eligible entity. It also adjusts several timelines for OPR's requirements including establishing boundaries for the regional climate networks, develop guidelines and establish standards for the networks, and to make

recommendations to the Legislature related to regional adaptation. Give the addition of LAFCo as an eligible entity, CALAFCO is now in support of the bill.

Amendments of 7/14/21, as requested by the Senate Natural Resources & Water Committee, mostly do the following: (1) Include "resilience" to climate adaptation; (2) Prioritize the most vulnerable communities; (3) Add definitions for "under-resourced" and "vulnerable" communities; (4) Remove the requirement for OPR to establish geographic boundaries for the regional climate networks; (5) Include agencies with hazard mitigation authority and in doing so also include the Office of Emergency Services to work with OPR to establish guidelines and standards required for the climate adaptation and resilience plan; and (6) Add several regional and local planning documents to be used in the creation of guidelines.

2/24/22 UPDATE: It appears this bill is being replaced with AB 1640 (Ward, Mullin, etc.). CALAFCO will keep this bill on Watch and follow the new bill.

AB 903 (Frazier D) Los Medanos Community Healthcare District.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was GOV. & F. on 5/19/2021)(May be acted upon Jan 2022)

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

Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district's territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district's health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

Position: Watch

CALAFCO Comments: This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

The bill did not pass out of Senate Governance & Finance Committee and will not move forward this year. It may be acted on in 2022.

2022 UPDATE: Given Member Frazier is no longer in the Assembly and the appellate court overturned the lower court's decision, it is likely the bill will not move forward. CALAFCO will retain WACTH on the bill.

AB 975 (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.

Current Text: Amended: 5/18/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/18/2021

Status: 2/1/2022-In Senate. Read first time. To Com. on RLS. for assignment.

| Desk | Policy | Fiscal | Floor | Desk | Policy | Fiscal | Floor | Conf. | Enrolled | Vetoed | Chaptered |
|------|--------|--------|-------|------|--------|--------|-------|-------|----------|--------|-----------|
| | | | | | | | | | | | |

| | | | | | |
|-----------|-----------|-------|--|--|--|
| 1st House | 2nd House | Conc. | | | |
|-----------|-----------|-------|--|--|--|

Summary:

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

Position: Watch

Subject: FPPC

CALAFCO Comments: As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

UPDATE AS OF 2/24/22 - The author's office indicates they are moving forward with the bill this year and are planning amendments. They are not clear what those amendments will be so CALAFCO will retain a WATCH position on the bill.

AB 1195 (Garcia, Cristina D) Drinking water.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/24/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was N.R. & W. on 6/9/2021)(May be acted upon Jan 2022)

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

Summary:

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

Attachments:

[CALAFCO Letter of Concern - April 2021](#)

[AB 1195 Fact Sheet](#)

Position: Watch With Concerns

Subject: Water

CALAFCO Comments: As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

THIS IS NOW A 2-YEAR BILL.

UPDATE AS OF 2/10/22 - According to the author's office, the author is not intending to move the bill forward at this time. CALAFCO will continue to WATCH and monitor the bill. As a result, the bill was downgraded from a P-1 to a P-3.

AB 1757 (Ward D) Groundwater sustainability agency.

Current Text: Amended: 3/10/2022 [html](#) [pdf](#)

Introduced: 2/2/2022

Last Amended: 3/10/2022

Status: 3/14/2022-Re-referred to Com. on W.,P., & W.

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

Summary:

The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. The act authorizes any local agency or combination of local agencies overlying a groundwater basin to decide to become a groundwater sustainability agency for that basin. Existing law governs the formation of a groundwater sustainability agency. This bill would authorize a conservation district formed pursuant to federal law and overlying a groundwater basin in this state to decide to become a groundwater sustainability agency for that basin and would make the law governing the formation of a groundwater sustainability agency applicable to that district.

Position: Watch

Subject: Water

[AB 2041](#) ([Garcia, Eduardo D](#)) **California Safe Drinking Water Act: primary drinking water standards: compliance.**

Current Text: Introduced: 2/14/2022 [html](#) [pdf](#)

Introduced: 2/14/2022

Status: 3/23/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

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

Summary:

Would require the State Water Resources Control Board to take specified actions if the state board adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of water treatment systems, to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

Attachments:

[AB 2041 Author Fact Sheet](#)

Position: Watch

Subject: Water

CALAFCO Comments: This bill would require the SWRCB to take specified actions if the SWRCB adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of water treatment systems, to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

CALAFCO reached out to the author's office for information on the bill and has not heard back. The bill is keyed fiscal. An author fact sheet is attached.

[SB 12](#) ([McGuire D](#)) **Local government: planning and zoning: wildfires.**

Current Text: Amended: 7/1/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 7/1/2021

Status: 7/14/2021-Failed Deadline pursuant to Rule 61(a)(11). (Last location was H. & C.D. on 6/24/2021)(May be acted upon Jan 2022)

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

Summary:

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: UPDATE 2/24/22: According to the author's office, they do plan to move this bill forward in 2022 and no other details are available at this time.

[SB 418](#) ([Laird D](#)) **Pajaro Valley Health Care District.**

Current Text: Chaptered: 2/4/2022 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amended: 1/24/2022

Status: 2/4/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 1, Statutes of 2022.

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

Summary:

Would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors.

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: Gut and amended on 1/14/22, this bill forms the Pajaro Valley Health Care District within Santa Cruz and Monterey counties. The formation, done by special legislation, bypasses the LAFCo process, with language explicitly stating upon formation, LAFCo shall have authority. The bill requires that within 5 years of the date of the first meeting of the Board of Directors of the district, the board of directors shall divide the district into zones. The bill would require the district to notify Santa Cruz LAFCo when the district, or any other entity, acquires the Watsonville Community Hospital. The bill requires the LAFCo to order the dissolution of the district if the hospital has not been acquired by January 1, 2024 through a streamlined process, and requires the district to notify LAFCo if the district sells the Watsonville Community Hospital to another entity or stops providing health care services at the facility, requiring the LAFCo to dissolve the district under those circumstances in a streamlined process.

Given the hospital has filed bankruptcy and this is the only hospital in the area and serves disadvantaged communities and employs a large number of people in the area, the bill has an urgency clause.

Several amendments were added on 1/24/22 by the ALGC and SGFC all contained within Section 32498.7.

CALAFCO worked closely with the author's office, Santa Cruz County lobbyist and the Santa Cruz and Monterey LAFCos on this bill. We have requested further amendments which the Senator has agreed to take in a follow-up bill this year. Those amendments include requiring Santa Cruz LAFCo to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFCo for the first 3 years, Santa Cruz LAFCo conducting a special study on the district after 3 years, and representation from both counties on the governing board.

The bill is sponsored by the Pajaro Valley Healthcare District Project and is not keyed fiscal.

SB 969 (Laird D) Pajaro Valley Health Care District.

Current Text: Amended: 3/2/2022 [html](#) [pdf](#)

Introduced: 2/10/2022

Last Amended: 3/2/2022

Status: 3/22/2022-Set for hearing March 31.

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

Calendar:

3/31/2022 Upon adjournment of Session - 1021 O Street, Room 2200 SENATE GOVERNANCE AND FINANCE, CABALLERO, Chair

Summary:

Current law creates the Pajaro Valley Health Care District, as specified, and authorizes the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors. Current law requires, within 5 years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors to divide the district into zones and number the zones consecutively. Current law requires the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to govern any organizational changes for the district after formation. Current law requires the district to notify the County of Santa Cruz local agency formation commission (LAFCO) when the district, or any other entity, acquires the Watsonville Community Hospital. Existing law requires the LAFCO to dissolve the district under certain circumstances. This bill would require the LAFCO to develop and determine a sphere of influence for the district within one year of the district's date of

formation, and to conduct a municipal service review regarding health care provision in the district by December 31, 2025, and by December 31 every 5 years thereafter.

Position: Watch

Subject: Other

CALAFCO Comments: This bill is a follow up to SB 418 (Laird) and contains some of the amendments requested by CALAFCO and Monterey and Santa Cruz LAFcos. As introduced the bill requires Santa Cruz LAFco to adopt a sphere of influence for the district within 1 year of formation; the district filing annual progress reports to Santa Cruz LAFco for the first 2 years, Santa Cruz LAFco conducting a Municipal Service Review on the district every 5 years with the first being conducted by 12-31-25. Our final requested amendment, ensuring representation from both counties on the governing board, is still being worked on and not reflected in the introduced version of the bill.

SB 1405 (Ochoa Bogh R) Community service districts: Lake Arrowhead Community Service District: covenants, conditions, and restrictions: enforcement.

Current Text: Amended: 3/15/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amended: 3/15/2022

Status: 3/23/2022-Re-referred to Coms. on GOV. & F. and JUD.

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

Summary:

Would authorize the Lake Arrowhead Community Services District to enforce all or part of the covenants, conditions, and restrictions for tracts within that district, and to assume the duties of the Arrowhead Woods Architectural Committee for those tracts, as provided.

Position: Watch

Subject: Other

SB 1425 (Stern D) Open-space element: updates.

Current Text: Amended: 3/16/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amended: 3/16/2022

Status: 3/23/2022-Re-referred to Com. on GOV. & F.

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

Summary:

Current law requires cities and counties to prepare, adopt, and amend general plans and elements of those plans, as specified. Current law requires the general plan to include a housing element and an open-space element, which is also called an open-space plan. Current law sets forth various deadlines for updates to the housing element. This bill would require every city and county to review and update, as specified, its local open-space plan by January 1, 2026, and every time it updates its housing element.

Position: Watch

Subject: Other

SB 1449 (Caballero D) Office of Planning and Research: grant program: annexation of unincorporated areas.

Current Text: Amended: 3/16/2022 [html](#) [pdf](#)

Introduced: 2/18/2022

Last Amended: 3/16/2022

Status: 3/23/2022-Re-referred to Com. on GOV. & F.

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

Summary:

Current law requires the Office of Planning and Research to, among other things, accept and allocate or expend grants and gifts from any source, public or private, for the purpose of state planning and undertake other planning and coordinating activities, as specified, and encourage the formation and proper functioning of, and provide planning assistance to, city, county, district, and

regional planning agencies. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 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 requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would require the office to, upon appropriation by the Legislature, establish the Unincorporated Area Annexation Incentive Program, authorizing the office to issue a grant to a city for the purpose of funding infrastructure projects related to the proposed or completed annexation of a substantially surrounded unincorporated area, as defined, subject to approval by the director after the city submits an application containing specified information.

Position: Watch

Subject: Annexation Proceedings

CALAFCO Comments: This is currently a spot bill. According to the author's office, they are working on state funding to incentivize annexation of inhabited territory (when the VLF was taken away, so too was any financial incentive to annex inhabited territory). For many years bills have been run to reinstate funding, none of which have ever successfully passed. There is no other information available on this bill at this time. CALAFCO will continue conversations with the author's office as this is an important topic for LAFCos. (The bill will remain a P-3 until amended.)

SB 1489 (Committee on Governance and Finance) Local Government Omnibus Act of 2022.

Current Text: Introduced: 2/28/2022 [html](#) [pdf](#)

Introduced: 2/28/2022

Status: 3/9/2022-Referred to Coms. on GOV. & F. and HOUSING.

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

Summary:

Current law sets forth requirements for the passage of city ordinances. Current law requires ordinances to be read in full either at the time of introduction or passage except when, after reading the title, further reading is waived by regular motion adopted by majority vote of the legislative body. This bill would provide that a reading of the title or ordinance is not required if the title is included on the published agenda and a copy of the full ordinance is made available to the public online and in print at the meeting prior to the introduction or passage.

Position: Watch

CALAFCO Comments: This is the Senate Governance & Finance Committee annual omnibus bill.

Total Measures: 26

Total Tracking Forms: 26

3/25/2022 7:23:57 AM