LOCAL AGENCY FORMATION COMMISSION
SAN BENITO COUNTY

2301 Technology Parkway
Hollister, CA 95023
Phone: (831) 637-5313

July 23, 2015 (Agenda)

Local Agency Formation Commission
2301 Technology Parkway
Hollister CA 95023

Report on LAFCO Related Legislation

Dear Members of the Commission:

RECOMMENDATION

Receive this report and direct staff to monitor legislation relevant to LAFCO and report on future agendas.

DISCUSSION

At this time of the legislative year, bills have either moved out of their house of origin for consideration by the other house or have become two year bills. Some legislation has been presented to the Governor for his signature.

AB 1532 (Committee on Local Government

This is the annual Omnibus bill for the Cortese-Knox-Hertzberg Reorganization Act of 2000. This bill makes nonsubstantive technical clean-up corrections to the Act.

The bill is in enrollment and is headed to the Governor for signature. The Commission previously supported the Omnibus Bill.

SB 88 (Committee on Budget and Fiscal Review) – Water

This bill has been signed into law as Chapter 27, Statutes of 2015

Resulting from the current drought, this law authorizes the State Water Resources Control Board (SWRCB) to order consolidation of water systems where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water.

Commissioners: Ignacio Velazquez, Chair ◆ Margie Barrios ◆Anthony Botelho ◆ Richard Bettencourt ◆ Rick Edge
Alternate Commissioners: Victor Gomez ◆ Robert Rivas ◆ Mark Tognazzini **Executive Officer:** Bob Braitman

AGENDA NO. 10

This law authorizes the State Board direct authority to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conduct a public hearing in the affected territory and "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority).

SB 272 (Hertzberg) - California Public Records Act

This bill will require each local agency (which include LAFCOs but excludes educational agencies) in implementing the California Public Records Act, to create a catalog of defined enterprise systems and make the catalog publicly available, and to post the catalog on the local agency's Internet Web site. The bill would require the catalog to disclose a list of the enterprise systems utilized by the agency, and, among other things, the current system vendor and product.

AB 448 (Brown) – Local Government Finance

The bill is meant to modify revenue calculations resulting from annexations to cities. Current property tax law requires the County Auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified procedures, and generally provides that each jurisdiction is allocated an amount equal to the total amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that becomes the jurisdiction's portion of the annual tax increment.

This bill would modify these reduction and transfer provisions, beginning in FY 2015-16 by providing for a Vehicle License Fee (VLF) adjustment amount calculated on the basis of changes in assessed valuation.

This bill reinstates the VLF payment (through ERAF) and changes the way that the growth in the VLF adjustment amount (property tax in lieu of VLF) is calculated starting in FY 2015-16 to include the growth of assessed valuation, including in an annexed area, from FY 2004-05 to FY 2015-16. Beginning in FY 2016-17, the VLF adjustment amount would be the jurisdiction's annual change in the assessed valuation.

AB 656 (Garcia, Cristina) – Joint Powers Agreements

This bill would specifically authorize a mutual water company and a public agency to enter into a joint powers agreement with a public water agency for the purposes of either risk-pooling or the provision of technical support, continuing education, safety engineering, operational and managerial advisory assistance to be provided to the members of that joint powers agency.

SB 422 (Monning) - Santa Clara Valley Open Space Authority

This bills will authorize the Santa Clara County Open-Space Authority to acquire, but not to take by eminent domain, interests in real property that are outside of the authority's jurisdiction necessary to the full exercise of its powers. The bill will authorize the authority's boundaries to be altered by annexing contiguous unincorporated territory in of a neighboring county.

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We will continue to monitor legislation that concerns LAFCOs and bring items of interest to the Commission for its consideration.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN
Executive Officer