

January 28, 2016 (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. No specific recommendations are presented at this time.

#### DISCUSSION

##### LAFCOs and Joint Powers Authorities

The California Association of LAFCOs (CALAFCO) has been discussing whether certain Joint Power Authorities (JPAs) should file agreements and amendments to those agreements with the affected LAFCO when they file with the Secretary of State.

State Senator Mike McGuire (Senate District 2) has agreed to author a bill. Marin LAFCO Executive Officer and Legislative Committee member Keene Simonds has compiled the enclosed Legislative Proposal Data Sheet. As written this proposal applies only to stand-alone JPAs who have at least one member that is a public agency.

Under existing State law there is no direct means for LAFCOs to be noticed and informed on the existence activities of JPAs and their expanding role in delivering municipal services. This lack of notice is an increasing challenge to LAFCOs in meeting their obligations to plan and oversee responsive and efficient government in California while keeping the general public appropriately informed.

The proposal creates a formal link under State law between certain stand-alone JPAs and LAFCOs at the time of establishing or amending a JPA agreement. This will allow timely information of JPA activities to promote more accountable and efficient government.

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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,

A handwritten signature in blue ink that reads "Bob Braitman" followed by a long horizontal flourish.

BOB BRAITMAN  
Executive Officer

## California Association of Local Agency Formation Commissions

Legislative Proposal Involving Joint-Power Authorities  
Board Approved on January 30, 2015

### Summary:

The proposal seeks to amend the Joint Exercise of Powers Act (Government Code 6503) to require stand-alone joint-power authorities that have county, city, or special district members to file their agreements and amendments with LAFCOs just as they currently do with the Secretary of State.

### Proposed Amendments:

Amend the "Joint Exercise of Powers Act" to revise Section 6503.6 as well as add Section 6503.8 to include LAFCOs in existing JPA filing requirements.

6503. The agreements shall state the purpose of the agreement or the power to be exercised. They shall provide for the method by which the purpose will be accomplished or the manner in which the power will be exercised.

6503.1. (a) When property tax revenues of a county of the second class are allocated by that county to an agency formed for the purpose of providing fire protection pursuant to this chapter, those funds may only be appropriated for expenditure by that agency for fire protection purposes.

(b) As used in this section, "fire protection purposes" means those purposes directly related to, and in furtherance of, providing fire prevention, fire suppression, emergency medical services, hazardous materials response, ambulance transport, disaster preparedness, rescue services, and related administrative costs.

(c) This section shall not be interpreted to alter any provision of law governing the processes by which cities or counties select providers of ambulance transport services.

6503.5. Whenever a joint powers agreement provides for the creation of an agency or entity that is separate from the parties to the agreement and is responsible for the administration of the agreement, such agency or entity shall, within 30 days after the effective date of the agreement or amendment thereto, cause a notice of the agreement or amendment to be prepared and filed with the office of the Secretary of State. The agency or entity shall furnish an additional copy of the notice of the agreement or amendment to the Secretary of State, who shall forward the copy to the Controller. The notice shall contain:

(a) The name of each public agency that is a party to the agreement.

(b) The date that the agreement became effective.

(c) A statement of the purpose of the agreement or the power to be exercised.

(d) A description of the amendment or amendments made to the agreement, if any. Notwithstanding any other provision of this chapter, any agency or entity administering a joint powers agreement or amendment to such an agreement, which agreement or amendment becomes effective on or after the effective date of this section, which fails to file the notice required by this section within 30 days after the effective date of the agreement or amendment, shall not thereafter, and until such filings are completed, issue any bonds or incur indebtedness of any kind.

6503.6. Whenever an agency or entity files a notice of agreement or amendment with the office of the Secretary of State pursuant to Section 6503.5, the agency or entity shall file a copy of the full text of the original joint powers agreement, and any amendments to the agreement, with the Controller, and if any such agency or entity includes a member that is a local agency as defined in Section 56054, that agency or entity shall, within 90 days after the effective date of the agreement or amendment thereto, file a copy of the agreement or amendment with the local agency formation commissions in all affected counties.

6503.7. Within 90 days after the effective date of this section, any separate agency or entity constituted pursuant to a joint powers agreement entered into prior to the effective date of this section and responsible for the administration of the agreement shall cause a notice of the agreement to be prepared and filed with the office of the Secretary of State. The agency or entity shall also furnish an additional copy of the notice of the agreement to the Secretary of State who shall forward the copy to the Controller. The notice shall contain all the information required for notice given pursuant to Section 6503.5. Notwithstanding any other provision of this chapter, any joint powers agency that is required and fails to file notice pursuant to this section within 90 days after the effective date of this section shall not, thereafter, and until such filings are completed, issue any bonds, incur any debts, liabilities or obligations of any kind, or in any other way exercise any of its powers. For purposes of recovering the costs incurred in filing and processing the notices required to be filed pursuant to this section and Section 6503.5, the Secretary of State may establish a schedule of fees. Such fees shall be collected by the office of the Secretary of State at the time the notices are filed and shall not exceed the reasonably anticipated cost to the Secretary of State of performing the work to which the fees relate.

6503.8. No later than July 1, 2017, any separate agency or entity constituted pursuant to a joint powers agreement that includes, as a member, a local agency as defined in Section 56054 and was entered into prior to the effective date of this section shall, as responsible for the administration of the agreement, cause a copy of the agreement to be filed with the local agency formation commission in all affected counties.

6503.9. As used in this section, "affected county" means a county that either is a party to, or includes within its boundaries another local agency that is a party to, an agreement entered into pursuant to this chapter.

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