

October 23, 2014 (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 continue to monitor legislation relevant to LAFCO and report on future agendas.

DISCUSSION

The legislative year has come to an end and the Governor has been signing or rejecting bills passed by the Legislature. Here is a status report on relevant legislation.

Bills Signed by the Governor

- AB 2762 (Assembly Local Government Committee)

This "Local Government Omnibus Act" includes minor, noncontroversial changes to the laws affecting local agencies' powers and duties. Relevant changes delete a section that pertained to proposals filed with LAFCOs prior to January 1, 2001 and clarification of the definition of "landowner" pertaining to protests filed against proposals initiated by a Commission; and other minor corrections.

- AB 2156 (Achadjian)

Includes Joint Power Authorities as entities from which LAFCO is authorized to request information for studies, and requires the JPA to respond.

- AB 1739 (Dickinson) and SB 1168 (Pavley)

As the Commission is aware, due to the ongoing drought sustainable groundwater is of high importance and attracted significant legislative attention.

A multi-page summary of these bills, together called the Sustainable Groundwater Management Act, is attached for your consideration.

- SB 614 (Wolk)

This bill provides an incentive for cities to annex disadvantaged unincorporated communities by creating an option for a funding mechanism using a property tax sharing agreement by affected entities (to share the 1% tax dollars) and ensuing tax increment.

A special district may be created or reorganized to act as the vehicle for that funding. The bill allows LAFCO to consider, as part of the application, the formation of a new district or the reorganization of an existing district, but only if all of the affected agencies are in agreement.

Further, the bill allows consenting local agencies to advance funds for purposes outlined in the annexation development plan (for specific infrastructure upgrades). There is a ten year sunset on the provisions created by this bill to January 1, 2025.

- Bills Vetoed by the Governor

- AB 1521 (Fox)

This bill would have reinstated the formula for calculating annual Vehicle License Fee (VLF) for territories annexed to cities after 2004.

- SB 69 (Roth)

This bill would have allowed four cities that incorporated after January 1, 2004 and before January 1, 2012 to receive additional tax revenue through a redistribution of Vehicle License Fee revenue. There were no provisions paying for prior lost revenue, but the bill would have reinstated future payments.

Please contact the LAFCO office if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bob Braitman", followed by a horizontal line.

BOB BRAITMAN
Executive Officer