



December 9, 2020

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DOUGLASS DAVERT
SPECIAL DISTRICT MEMBER

IMMEDIATE PAST CHAIR
DEREK J. MCGREGOR
PUBLIC MEMBER

LISA BARTLETT
COUNTY MEMBER

WENDY BUCKNUM
CITY MEMBER

JAMES FISLER
SPECIAL DISTRICT MEMBER

MIKE POSEY
CITY MEMBER

DONALD P. WAGNER
COUNTY MEMBER

ALTERNATES

KATHRYN FRESHLEY
SPECIAL DISTRICT MEMBER

LOU PENROSE
PUBLIC MEMBER

MICHELLE STEEL
COUNTY MEMBER

VACANT
CITY MEMBER

STAFF

CAROLYN EMERY
EXECUTIVE OFFICER

TO: Local Agency Formation Commission
FROM: Executive Officer
Policy Analyst
SUBJECT: Legislative Report (December 2020)

BACKGROUND

The Legislature will convene for the new legislative session on December 7, 2020. Each year, the CALAFCO Board of Directors identifies legislative priorities for sponsored and anticipated legislation of LAFCO interest. This report provides a discussion of the priorities approved by the Board on November 13 and a preview of legislation expected to be revisited during the next year.

2021 CALAFCO BOARD LEGISLATIVE PRIORITIES

Below is a brief discussion of the priorities approved by the CALAFCO Board of Directors for the upcoming legislative session.

Omnibus Bill

The Omnibus Bill is co-sponsored annually by CALAFCO and the Assembly Committee on Local Government. Each year the bill introduces technical and non-substantive changes to the Cortese-Knox-Hertzberg Reorganization Act of 2000 (CKH Act). The modifications assist in clarifying and providing consistency in how the CKH Act is applied throughout the State.

This year's bill proposes the following amendments:

◆ **Clarify the Definition for Principal County:** The CKH Act defines "principal county" and outlines the process to vest exclusive jurisdiction in a county other than a principal county involving changes of organization and reorganizations. However, the definition of principal county is silent regarding its applicability to the determination of a sphere of influence. The proposed amendment would clarify that

the principal county status also applies to the determination of spheres of influence.

- ◆ **Clarify the Commission’s Jurisdiction Over Extension of Services:** The CKH Act delineates that cities and special districts may provide a new or extended service outside its jurisdictional boundary only if it first requests and receives written approval from the Commission. The amendment includes language to clarify that the Commission of the County in which the new or extended service is being proposed has the authority to approve or deny the request.
- ◆ **Clarify the Independent Judgement of Members Provision:** The provision delineates that Commission members shall exercise their independent judgement on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of the CKH Act. The amendment proposes to relocate this provision within the CKH Act to clarify that it applies to all fifty-eight LAFCOs, including those with special seats.
- ◆ **Amend Notice Requirement Involving City Rezoning After Annexation:** Currently, the CKH Act authorizes the Commission to approve annexations that are consistent with the annexing City’s general plan and prezoning designations. State law also prohibits the annexing City from making any subsequent changes to the general plan or zoning that is not in conformance with the prezoning designations for two years following annexation, unless the legislative body of the annexing City makes a finding at a public hearing that circumstances have occurred requiring a substantial change in the prezoning. Currently, the City may conduct the public hearing without notice to LAFCO. The proposed amendment would require a City to provide written notice to LAFCO no less than 21 days in advance of the public hearing and indicating that a substantial change has occurred in circumstances that necessitate a departure from the prezoning indicated in the application to the Commission.
- ◆ **Amend Sphere of Influence Statute:** Currently, the CKH Act specifies that the Commission will hold a hearing to adopt, amend, or revise a sphere of influence. However, the word “revise” is inconsistent as it is not found in other parts of the CKH Act. The proposed amendment would replace the word “revise” with “update” to maintain consistency throughout the CKH Act, as “update” is currently referenced in other areas of the statute.

- ◆ **Amend the Requirement for Delivery of an Adopted Resolution:** The CKH Act delineates that the Executive Officer will deliver an adopted resolution by regular mail. The proposed amendment would allow the option for the Executive Officer to provide the resolution electronically.

- ◆ **Amend Requirement for Revenue & Taxation Process for Inactive Special Districts:** Annually, the State Controller's office provides a list of inactive special districts based on the definition included within the CKH Act. The CKH Act defines an inactive special district as not having financial transactions of any kind and requires LAFCOs to dissolve their respective inactive special districts. The LAFCO dissolution proceedings require the conducting of the property tax exchange process (R&T Section 99 and 99.01) for the purposes of the disposition of respective revenues. Since an inactive special district does not have any financial transactions, the amendment proposes to remove the property tax exchange process involving the dissolution proceedings for an inactive special district.

Protest Provisions for LAFCO Proceedings

A review of the protest provisions involving LAFCO proceedings was initiated by the CALAFCO Board in 2018 following numerous discussions between the Board and several LAFCOs across the State regarding inconsistencies and lack of clarity within the provisions. Over the past two years, CALAFCO has facilitated several meetings with the California Special Districts Association, League of California Cities, and the State Association of Counties to review and develop proposed amendments to the protest provisions. The discussions will continue through the upcoming legislative session.

2021 ANTICIPATED LEGISLATION


During the past several legislative sessions, numerous bills have been introduced that involve or impact LAFCO's proceedings and authority. The proposed legislation has involved the key areas of municipal service provision to disadvantaged unincorporated communities, consolidation of failing small water and wastewater systems, dissolution of inactive special districts, and the reinstatement of state funding for future annexations of inhabited areas and city incorporations. It is expected that this legislative session will include similar efforts. The deadline for bills to be introduced in the Legislature is February 19, 2021. The Commission's next legislative report will include a summary of those efforts.

RECOMMENDATION

Staff recommends that the Commission:

1. Receive and file the December 9, 2020 Legislative Report.

Respectfully Submitted,



CAROLYN EMERY



LUIS TAPIA

Attachment A:

- A. Assembly Tentative Legislative Calendar

2021 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 11-17-20

DEADLINES

JANUARY							
	S	M	T	W	TH	F	S
						1	2
Wk. 1	3	4	5	6	7	8	9
Wk. 2	10	11	12	13	14	15	16
Wk. 3	17	18	19	20	21	22	23
Wk. 4	24	25	26	27	28	29	30
Wk. 1	31						

- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 4** Legislature reconvenes (J.R. 51(a)(1)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 18** Martin Luther King, Jr. Day.
- Jan. 22** Last day to submit **bill requests** to the Office of Legislative Counsel.

FEBRUARY							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Wk. 2	7	8	9	10	11	12	13
Wk. 3	14	15	16	17	18	19	20
Wk. 4	21	22	23	24	25	26	27
Wk. 1	28						

- Feb. 15** Presidents' Day.
- Feb. 19** Last day for bills to be **introduced** (J.R. 61(a)(1), J.R. 54(a)).

MARCH							
	S	M	T	W	TH	F	S
Wk. 1		1	2	3	4	5	6
Wk. 2	7	8	9	10	11	12	13
Wk. 3	14	15	16	17	18	19	20
Wk. 4	21	22	23	24	25	26	27
Spring Recess	28	29	30	31			

- Mar. 25** **Spring Recess** begins upon adjournment (J.R. 51(a)(2)).
- Mar. 31** Cesar Chavez Day observed.

APRIL							
	S	M	T	W	TH	F	S
Spring Recess					1	2	3
Wk. 1	4	5	6	7	8	9	10
Wk. 2	11	12	13	14	15	16	17
Wk. 3	18	19	20	21	22	23	24
Wk. 4	25	26	27	28	29	30	

- Apr. 5** Legislature reconvenes from Spring Recess (J.R. 51(a)(2)).
- Apr. 30** Last day for **policy committees** to meet and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(a)(2)).

MAY							
	S	M	T	W	TH	F	S
Wk. 4							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	29
No Hrgs.	30	31					

- May 7** Last day for **policy committees** to meet and report to the floor **non-fiscal bills** introduced in their house (J.R. 61(a)(3)).
- May 14** Last day for **policy committees** to meet prior to June 7 (J.R. 61(a)(4)).
- May 21** Last day for **fiscal committees** to meet and report to the floor bills introduced in their house (J.R. 61(a)(5)).
Last day for **fiscal committees** to meet prior to June 7 (J.R. 61(a)(6)).
- May 31** Memorial Day.

*Holiday schedule subject to final approval by Rules Committee.

JUNE							
	S	M	T	W	TH	F	S
No Hrgs.			1	2	3	4	5
Wk. 1	6	7	8	9	10	11	12
Wk. 2	13	14	15	16	17	18	19
Wk. 3	20	21	22	23	24	25	26
Wk. 4	27	28	29	30			

June 1-4 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees (J.R. 61(a)(7)).

June 4 Last day for each house to pass bills introduced in that house (J.R. 61(a)(8)).

June 7 Committee meetings may resume (J.R. 61(a)(9)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)(3)).

JULY							
	S	M	T	W	TH	F	S
Wk. 4					1	2	3
Wk. 1	4	5	6	7	8	9	10
Wk. 2	11	12	13	14	15	16	17
Summer Recess	18	19	20	21	22	23	24
Summer Recess	25	26	27	28	29	30	31

July 2 Independence Day observed.

July 14 Last day for policy committees to meet and report bills (J.R. 61(a)(11)).

July 16 Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51(a)(3)).

AUGUST							
	S	M	T	W	TH	F	S
Summer Recess	1	2	3	4	5	6	7
Summer Recess	8	9	10	11	12	13	14
Wk. 3	15	16	17	18	19	20	21
Wk. 4	22	23	24	25	26	27	28
No. Hrgs	29	30	31				

Aug. 16 Legislature reconvenes from Summer Recess (J.R. 51(a)(3)).

Aug. 27 Last day for fiscal committees to meet and report bills (J.R. 61(a)(12)).

Aug. 30-Sept. 10 Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees (J.R. 61(a)(13)).

SEPTEMBER							
	S	M	T	W	TH	F	S
No Hrgs.				1	2	3	4
No Hrgs.	5	6	7	8	9	10	11
Interim Recess	12	13	14	15	16	17	18
Interim Recess	19	20	21	22	23	24	25
Interim Recess	26	27	28	29	30		

Sept. 3 Last day to amend bills on the floor (J.R. 61(a)(14)).

Sept. 6 Labor Day.

Sept. 10 Last day for any bill to be passed (J.R. 61(a)(15)). Interim Recess begins upon adjournment (J.R. 51(a)(4)).

IMPORTANT DATES OCCURRING DURING INTERIM RECESS

2021

Oct. 10 Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 10 and in the Governor's possession after Sept. 10 (Art. IV, Sec. 10(b)(1)).

2022

Jan. 1 Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 3 Legislature reconvenes (J.R. 51(a)(4)).

*Holiday schedule subject to final approval by Rules Committee.