



January 8, 2020

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CAROLYN EMERY
EXECUTIVE OFFICER

TO: Local Agency Formation Commission

From: Executive Officer
Policy Analyst

SUBJECT: Legislative Quarterly Report (January 2020)

BACKGROUND

This Legislative Report provides a preview of the anticipated legislation of LAFCO interest for the legislative session that began on December 3, 2019. Additionally, the report provides information on the representation of the Southern Region LAFCOs on the FY 2019-20 CALAFCO Legislative and Advisory Committees.

The California Legislature is currently in winter recess and will reconvene on January 6, 2020. As with many of the past years, the coming session is expected to be a busy one for LAFCO. The following are key deadlines for the California State Assembly and Senate during the first six months of the legislative session:

2019-20 Legislative Session Deadlines	
January 10, 2020	Annual budget submitted by the Governor.
February 21, 2020	Last day for bills to be introduced.
May 29, 2020	Deadline for each legislative house to pass bills introduced in that house.

The next Legislative Report, which is scheduled for March 13, 2020, will provide the current status, bill language and other details on the anticipated legislation discussed in the next section of this report.

REVIEW OF ANTICIPATED LEGISLATION

During the 2018-19 legislative session, several bills focused on key topics that are of LAFCO interest including: the delivery of wastewater and water service to disadvantaged unincorporated communities, applicable fees for the extension of water or sewer service beyond an agency's service boundary, reinstating funding for future annexations

of inhabited areas, and restoring financial funding for city incorporations. The CALAFCO Legislative Committee anticipates that similar legislative proposals will be introduced on these topics during the 2019-20 legislative session as much of the legislation previously introduced became two-year bills.

2019-2020 CALAFCO LEGISLATIVE PRIORITIES

Annually, in an effort to effectively monitor proposed legislation that may impact LAFCOs, the CALAFCO Board identifies legislative priorities.

Below are the priorities for the 2019-20 legislative session:

- ❖ *Engage stakeholders in a review of the CKH Act protest provisions and potentially propose legislative modifications.*

At the start of the 2018-19 legislative session, the CALAFCO Board approved a two-year effort by the CALAFCO Legislative Committee to gather input and comments from various stakeholders on a proposed rewrite of the CKH Act protest provisions. The stakeholders involved in the process include: CALAFCO, California Special District Association, League of California Cities and California State Association of Counties. Over the past year, the working group has conducted several meetings and began to discuss potential amendments. On December 13, the CALAFCO Board approved extending this effort an additional year to continue working on this effort.

- ❖ *Propose legislation to add clarifying language to the CKH Act on the provision of services by an agency outside of its jurisdictional boundary.*

Currently, the CKH Act delineates the process and requirements for an agency to receive approval to provide services outside of its jurisdictional boundary from LAFCO. The Act also provides an exemption to this requirement for agencies, under certain conditions. The proposed bill includes amendments that would further clarify LAFCO's authority in making an exemption determination. At its meeting of December 13, the CALAFCO Board approved exploring potential sponsorship of legislation that will clarify the process and LAFCO's role in contracts and agreements involving two public agencies and an agency's authority to provide services outside of its jurisdictional boundary. The Board directed staff to complete outreach to the LAFCO membership. The feedback received will be presented to the CALAFCO Executive Committee. The Committee will review the feedback and determine whether to move forward with the proposed legislation.

In order to comply with this provision of the CKH Act, in September 2001, OC LAFCO established procedural guidelines and adopted the "Policy & Procedures for the Review and/or Processing of Out-of-Area Agreements by the Executive Officer (Gov't Code Section 56133)." The current policy includes the procedural guidelines for reviewing and processing applications and requests from agencies to provide services outside of their jurisdiction boundaries and for determining agency exemptions in accordance with State law. The Commission's current policy requires that these applications and requests be reviewed in conjunction with related changes of organization (i.e., annexation) or substantiated with evidence that the exemption applies. Through this policy, the review and processing of these requests have been delegated by the Commission to the Executive Officer. As discussions regarding potential clarification of this provision by CALAFCO Legislative Committee members began last year, the review and potential amendment of this policy has been included in the Commission's FY 2019-2020 Work Plan.

CALAFCO ADVISORY LEGISLATIVE COMMITTEE

At the start of every legislative session the CALAFCO Board reviews its legislative policies and appoints the members of the Legislative Committee. The committee's structure includes five Board Members, eight voting staff members, three legal counsel, and five alternate members. The Board has also established a Legislative Advisory Committee to assist the Legislative Committee. The following members represent the Southern Region (Imperial, Los Angeles, Orange, Riverside, San Bernardino and San Diego LAFCOs):

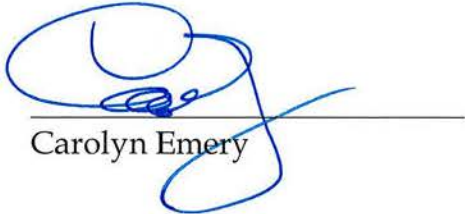
Paul Novak, Executive Officer - Los Angeles LAFCO (voting member)
Samuel Martinez, Executive Officer - San Bernardino LAFCO (voting member)
Gary Thompson, Executive Officer - Riverside LAFCO (alternate member)
Luis Tapia, Policy Analyst - Orange LAFCO (advisory committee)

RECOMMENDATION

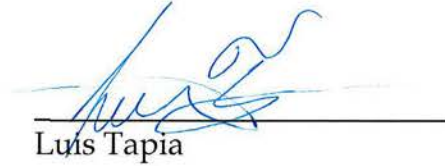
Staff recommends that the Commission:

1. Receive and file the January 8, 2019 Legislative Quarterly Report.

Respectfully Submitted,



Carolyn Emery



Luis Tapia