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Special District Member

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Special District Member

Carol Moore
City Member

Lou Penrose
Public Member

STAFF

Carolyn Emery
Executive Officer

Scott Smith
General Counsel

MEETING DATE: November 8, 2023

TO: Local Agency Formation Commission
of Orange County

FROM: Executive Officer
Assistant Executive Officer

SUBJECT: Legislative Report (November 2023)

8b | Commission
Discussion

BACKGROUND

Prior to the start of a new legislative session, the California Association of LAFCOs (CALAFCO) Board of Directors identifies efforts of potential sponsorship of legislation and other topics of LAFCO interest expected to surface in the chambers of the Legislature. To get ahead of the quickly approaching date of the Legislature reconvening on January 3, 2024, the CALAFCO Legislative Committee, which serves in an advisory role to the Board, will meet on November 3rd to discuss these items with recommendations to the Board for consideration in early December. The Committee meets quarterly to maintain regular monitoring of legislation of LAFCO interest.

With an active legislative year anticipated, this report provides a sneak-peek of priorities already noted by the CALAFCO Board, things to come on the legislative front, and a look back at the outcome of AB 399.

Bill Sponsorship

The CALAFCO Board has identified the following efforts for the 2024 legislative session:

- Annual Omnibus Bill
Legislation co-sponsored by CALAFCO and the Assembly Committee on Local Government to effect technical and non-substantive amendments to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH Act”). This year’s bill includes proposed amendments to clarify LAFCO processes and authority in the following areas: (1) continued clarifying of when an application becomes a proposal, (2) establishment of timing requirement for a request to extend the protest period for proposals seeking to establish a subsidiary district, (3) improvement of the tax exchange

process for special district boundary changes whereby the exchange of property tax revenue is waived or not requested by the subject agencies, and (4) inclusion of a definition for “zone” to provide consistency and clarity within the CKH Act.

- Extension of Services Outside Jurisdictional Boundaries

A legislative priority identified by the CALAFCO Board to involve an effort to clarify LAFCO’s approval and exemption authority involving agencies extending services outside of their jurisdictional boundaries. This effort was initiated by San Diego LAFCO and is expected to move forward with the assistance of CALAFCO during the next legislative session. The varying and seriousness of the issues with the current CKH Act provisions were highlighted during a recent session at the CALAFCO conference in Monterey. One of the next steps in this effort will be for CALAFCO, in partnership with San Diego LAFCO, to obtain an author to sponsor legislation to address the issues associated with current state law.

- LAFCO Indemnification

A second legislative priority identified by the CALAFCO Board to involve an effort to solidify LAFCO’s explicit authority to require indemnity from applicants involving proposals for changes of organization and reorganization and other actions. The effort stems from a recent ruling by the California Court of Appeals in the case of *San Luis Obispo LAFCO v. City of Pismo Beach*, in which the court opined that it was not the authority of San Luis Obispo LAFCO to require indemnification by the applicant as a condition for processing an application.

Other Anticipated Legislation for 2024

The 2024 legislative session is expected to also include other legislation of LAFCO interest, including two-year bills involving legislative bodies conducting of meetings by teleconference and the consolidation of wastewater service purveyors serving within disadvantaged communities.

Summary of AB 399 – Water Ratepayers Protection Act of 2023: County Water Authority Act

A bill of interest to the Commission this past legislative session was AB 399. The proposed legislation that is now law (signed by Governor Newsom on October 13, 2022) amends voting provisions in the County Water Authority Act for special district detachments from the San Diego County Water Authority (SDCWA). Beginning January 1, 2024, the amended provisions require confirmation votes from the majority registered voters within the affected territory and the entire SDCWA’s boundary for special district detachment proposals processed by San Diego LAFCO. Additionally, the new provisions require a fiscal impact statement on water rates, exit fees, and debt obligations to be included in the voter ballots for a special district detachment.

As the provisions enacted through AB 399 will only apply to special district detachments within the SDCWA, the law has no direct impact on special district detachment proposals processed by OC LAFCO. However, prior to the bill being signed into law by the Governor, staff noted concerns with AB 399 setting a precedence for local agencies seeking of special legislation when they


disagree with a Commission action and the dilution of votes by the registered voters mostly impacted by a proposal for a change of organization or reorganization.

RECOMMENDED ACTION

Staff recommends the Commission:

1. Receive and file the November 8, 2023 legislative report.

Respectfully submitted,



CAROLYN EMERY



LUIS TAPIA

- Attachment:
1. 2024 Legislative Calendar

2024 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised 11/4/22

DEADLINES

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

- [Jan. 1](#) Statutes take effect (Art. IV, Sec. 8(c)).
- [Jan. 3](#) **Legislature Reconvenes** (J.R. 51(a)(4)).
- [Jan. 10](#) Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- [Jan. 12](#) Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the **odd-numbered year** (J.R. 61(b)(1)).
- [Jan. 15](#) Martin Luther King, Jr. Day.
- [Jan. 19](#) Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year (J.R. 61(b)(2)).

Last day to **submit bill requests** to the Office of Legislative Counsel.
- [Jan. 31](#) Last day for each house to **pass bills introduced** in that house in the odd-numbered year (J.R. 61(b)(3), (Art. IV, Sec. 10(c)).

FEBRUARY						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	<u>16</u>	17
18	<u>19</u>	20	21	22	23	24
25	26	27	28	29		

- [Feb. 16](#) Last day for bills to be **introduced** (J.R. 61(b)(4), (J.R. 54(a)).
- [Feb. 19](#) Presidents' Day.

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

- [Mar. 21](#) **Spring Recess** begins upon adjournment of this day's session (J.R. 51(b)(1)).
- [Mar. 29](#) Cesar Chavez Day observed.

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

- [Apr. 1](#) Legislature Reconvenes from **Spring Recess** (J.R. 51(b)(1)).
- [Apr. 26](#) Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house (J.R. 61(b)(5)).

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

- [May 3](#) Last day for **policy committees** to hear and report to the floor **non-fiscal** bills introduced in their house (J.R. 61(b)(6)).
- [May 10](#) Last day for **policy committees** to meet prior to May 28 (J.R. 61(b)(7)).
- [May 17](#) Last day for **fiscal committees** to hear and report to the floor bills introduced in their house (J.R. 61(b)(8)).

Last day for **fiscal committees** to meet prior to May 28 (J.R. 61(b)(9)).
- [May 20- 24](#) **Floor Session only.** No committees, other than conference or Rules committees, may meet for any purpose (J.R. 61 (b)(10)).
- [May 24](#) Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).
- [May 27](#) Memorial Day.
- [May 28](#) Committee meetings may resume (J.R. 61(b)(12)).

*Holiday schedule subject to Senate Rules committee approval

2024 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE SECRETARY OF THE SENATE AND THE OFFICE OF THE ASSEMBLY CHIEF CLERK
Revised 11/4/22

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

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

[June 27](#) Last day for a legislative measure to qualify for the Nov. 5 General Election ballot (Elections Code Sec. 9040).

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

[July 3](#) Last day for **policy committees** to meet and report bills (J.R. 61(b)(13)).

Summer Recess begins upon adjournment provided Budget Bill has been passed (J.R. 51(b)(2)).

[July 4](#) Independence Day.

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

[Aug. 5](#) Legislature Reconvenes from **Summer Recess** (J.R. 51(b)(2)).

[Aug. 16](#) Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(14)).

[Aug. 19-31](#) **Floor Session only.** No committees, other than conference and Rules committees, may meet for any purpose (J.R. 61(b)(15)).

[Aug. 23](#) Last day to **amend** on the floor (J.R. 61(b)(16)).

[Aug. 31](#) Last day for **each house to pass bills.** (Art. IV, Sec. 10(c), (J.R. 61(b)(17)).

Final Recess begins upon adjournment (J.R. 51(b)(3)).

*Holiday schedule subject to Senate Rules committee approval

IMPORTANT DATES OCCURRING DURING FINAL STUDY RECESS

2024

[Sept. 30](#) Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor’s possession on or after Sept. 1 (Art. IV, Sec. 10(b)(2)).

[Nov. 5](#) General Election

[Nov. 30](#) Adjournment *Sine Die* at midnight (Art. IV, Sec. 3(a)).

[Dec. 2](#) 12 Noon convening of the 2025-26 Regular Session (Art. IV, Sec. 3(a)).

2025

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