



San Diego County
Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

8

AGENDA REPORT
 Consent | Information

March 4, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Harry Ehrlich, Legislative Consultant

SUBJECT: Legislative Report |
Items of Interest Proceeding into the New Legislative Session

SUMMARY

The San Diego Local Agency Formation Commission (LAFCO) will receive a report reviewing items of interests heading into the new 2019-2020 legislative session. This includes a summary of CALAFCO priorities for the session and highlighted by pursuing a comprehensive rewrite of protest proceedings. The report is being presented for information with the opportunity to provide feedback on related items for possible action at future meetings.

BACKGROUND

Legislative Resources

San Diego LAFCO draws on its active participation with CALAFCO in considering legislative matters affecting the Commission’s ability to effectively administer its regulatory and planning responsibilities. The CALAFCO Legislative Committee comprises nearly two dozen appointed members across the state – including Chair MacKenzie and Consultant Harry Ehrlich – and is tasked with drafting and/or reviewing proposed legislation and related items for Board consideration. San Diego LAFCO relies on the information and analysis generated from the CALAFCO Legislative Committee in making its own position recommendations.

<p>Administration Keene Simonds, Executive Officer County Operations Center 9335 Hazard Way, Suite 200 San Diego, California 92123 T 858.614.7755 F 858.614.7766 www.sdlafco.org</p>	<p>Jim Desmond County of San Diego</p> <p>Dianne Jacob County of San Diego</p> <p>Greg Cox, Alternate County of San Diego</p>	<p>Catherine Blakespear City of Encinitas</p> <p>Bill Wells City of El Cajon</p> <p>Serge Dedina, Alternate City of Imperial Beach</p>	<p>Mark Kersey City of San Diego</p> <p>Chris Cate, Alternate City of San Diego</p>	<p>Chair Jo MacKenzie Visita Irrigation</p> <p>Vice Chair Ed Sprague Olivenhain Municipal Water</p> <p>Judy Hanson, Alternate Leucadia Wastewater</p>	<p>Andy Vanderlaan General Public</p> <p>Harry Mathis, Alternate General Public</p>
---	---	--	---	---	---

Current Calendar

The California Legislature reconvened on January 7, 2019 and commenced the start of a new two-year session. February 22nd marks the deadline to introduce bills for consideration this year, which must pass out of the house origin (Assembly or Senate) no later than May 31st with amendments allowed thereafter through September 6th. All bills must pass through both houses by September 13th with a 30-day window for the Governor to sign or veto.

DISCUSSION

This item is for San Diego LAFCO to receive an update on the start of the 2019-2020 legislative session with respect to bills and related activities of interest to the Commission. The report draws on CALAFCO resources and is being presented for information with the invitation for the Commission to provide feedback, including – but not limited to – potential bill positions for consideration at a future meeting. Additional discussion follows and divided between LAFCO bills and/or activities of (a) statewide and (b) local interests.

Statewide Interests

CALAFCO is focusing its own legislative resources this session on two topics: establishing a pilot grant program and rewriting protest proceedings. Establishing a pilot grant program is the lead priority for CALAFCO and focuses on providing funding for LAFCOs to prepare studies involving disadvantaged unincorporated communities as well as to dissolve inactive special districts. This lead priority serves as a follow-up to last year's efforts that produced Assembly Bill 2258 (Caballero), which proposed a one-time funding allocation of \$2.0 million through the Strategic Growth Council and passed both houses, but was subsequently vetoed by Governor Brown. Assemblymember Caballero has agreed to re-sponsor the item, although no bill has been introduced as of date. Rewriting protest proceedings marks the other legislative priority for CALAFCO and takes aim at streamlining existing procedures and raising the current protest threshold to require an election from 10% to 25% for LAFCO-initiated actions; the latter percentage representing the threshold for actions initiated by landowners, voters, or agencies. This is a two-year item with no sponsor as of date.

Local Interests

Rewriting protest proceedings are most pertinent to San Diego LAFCO given the Commission's increasingly common experience in navigating the statutes in step with processing large proposals where upfront consent of all landowners/voters is not practical. (Recent examples include "Julian-Cuyamaca Fire Protection District Reorganization" and "County Service Area No. 115 Reorganization.") The current protest statutes were piecemealed in 2001 as part of the last comprehensive rewrite of LAFCO law and are challenging to administer given excessive cross-referencing and lack of cohesion in prescribing different procedures for different actions. Establishing a pilot grant program is also welcomed, but more pertinent to smaller LAFCOs that otherwise – and unlike the Commission – do not readily have the resources to address the targeted topics of

disadvantaged unincorporated communities and inactive districts.

Also of local interest this year involves the annual omnibus bill authored by the Assembly Committee on Local Government incorporating technical and/or non-controversial amendments to LAFCO law. This year's omnibus bill includes a request from staff and informed by a recent example in San Diego County to amend the statute governing LAFCOs role in approving city and district requests to provide new or extended services outside their boundaries by contract. The current statute includes certain exemptions and headlined by contracts between two or more public agencies in which the subject service is an equal substitute for service already provided. The requested amendment aims to clarify LAFCOs – and not the agencies – determine when the exemption applies, and in doing so explicitly track with legislative intent and avoid the challenges in addressing service extensions mistakenly self-exempted by cities and districts.

ANALYSIS

The first year of the 2019-2020 legislative session is expected to be relatively modest with respect to proposing changes directly affecting LAFCOs. CALAFCO has purposefully limited its own resources for the entire session to focus on sponsoring two items with only one – establishing a pilot grant program for LAFCOs to study disadvantaged unincorporated communities and reimbursements to dissolve inactive districts – targeted for the first year. As detailed in the preceding section, this effort is primarily for the benefit of smaller LAFCOs with the possibility of larger LAFCOs – like San Diego – participating should the grant program become permanent and/or expanded to include other allowable uses. The other CALAFCO priority to streamline protest proceedings is a significant undertaking and expected to extend into the second year of the session. This priority also has significant value to the Commission given its propensity to process complex proposals that necessitate protest proceedings and any efforts therein to make the statute more linear and practical is welcomed. Accordingly, and given the direct value to the Commission, the Executive Officer has made available staff resources to CALAFCO to assist in this effort. A similar offer has also been made to assist with the amendment in this year's omnibus bill to clarify LAFCOs determine exemption status involving contracts between public agencies in providing services outside their jurisdictional boundaries.

RECOMMENDATION

It is recommended San Diego LAFCO receive this item as information with the invitation to provide feedback to staff on related matters for possible action at future meetings.

ALTERNATIVES FOR ACTION

This item is being presented to San Diego LAFCO for information; no actions are proposed.

PROCEDURES

This item has been placed on the San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachments: none