

Santa Barbara LAFCO

Status Report Assembly Bill 3

July 2, 2015

Status Report on Assembly Bill 3 (Williams)

- Assembly Bill 3 will be heard in the Senate Government and Finance Committee on July 8th at 9:30 a.m.
- On June 4 the Commission directed staff to send letter to CALAFCO and the President of the University of California advising them of the Commission's approved an Oppose, Unless Amended position on Assembly Bill 3. Letters were sent and are included in the staff report.
- The letter to CALAFCO requested that Executive officer statewide asking their Senator to Oppose AB 3, Unless Amended to include LAFCO in the formation process.
- AB 3 was last amended on May 5, 2015 to require the Board of Supervisors to place the formation process on the ballot and at the same election vote on the initial board of directors. If the formation is approved, the bill would require the new board of directors to place a utility user tax on the ballot.
- If a utility user tax is not approved by January 1, 2027, the district would automatically be dissolved. On May 19, the Board of Supervisors asked for a 6-year sunset on approval of the tax

Current Status of Assembly Bill 3

- The bill was approved by the Assembly Local Government Committee on May 12 on a 6-1-2 abstentions
- The Bill was approved by the Assembly Appropriations Committee on May 27, 2015
- The Bill passes the Assembly Floor on June 3 on a 41-23 vote with no debate.
- The Bill will next be heard in the Senate Governance and Finance Committee on July 8th
- The Commission's AB 3 Ad Hoc Committee met on June 17, 2015
- There are still outstanding areas of concern with the bill, most notably circumvention of the special district formation process that involves LAFCO.
- The Cortese-Knox-Hertzberg Act (CKH), among the requirements, would provide for a comprehensive fiscal analysis before the commission acts on a proposal.

Proposed Amendments to AB 3

- 61250. (b) Upon the effective day of this part, the Santa Barbara County board of supervisors shall file a resolution of application with the Santa Barbara local agency formation commission pursuant to Government Code Section 56654 (a) to initiate a comprehensive review and recommendation of the formation of the Isla Vista Community Services District, consistent with Section 56668, and shall, as the applicant, pay all necessary fees associated with the application
 - (1) Upon receipt of a completed proposal, the Santa Barbara local agency formation commission shall commence the review.
 - (2) The Santa Barbara local agency formation commission shall complete the review no later than 120 days after receiving a completed proposal.
- Recognizing that an election is needed to form the Isla Vista Community Services District, the protest provisions of the Cortese-Knox-Hertzberg Reorganization Act of 2000 as they pertain to the formation of a district do not apply.
- (c) (1) (A) Upon completion of the review in subdivision (a), the board of supervisors of the County of Santa Barbara shall place the question of whether the Isla Vista Community Services District shall be established on the ballot at the next countywide election...

Recommendation

- Review the Staff Report and Provide Direction to Staff