

Date of Hearing: July 10, 2019

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

SB 780 (Committee on Governance and Finance) – As Amended July 1, 2019

SENATE VOTE: 37-0

SUBJECT: Local Government Omnibus Act of 2019.

SUMMARY: Enacts the Local Government Omnibus Act of 2019, which proposes a number of non-controversial changes to existing laws governing the powers and duties of local agencies.

FISCAL EFFECT: This bill is keyed fiscal and contains a state-mandated local program.

COMMENTS:

- 1) **Bill Summary.** This bill enacts the Local Government Omnibus Act of 2019, which includes the following provisions:
 - a) **“Roster of Public Agencies” Name Change.** Current law requires the Secretary of State to maintain a roster of public agencies that contains specified information about special districts throughout the state, including: (1) the full, legal name of the public agency; (2) the official mailing address of the governing body of the public agency; (3) the name and residence or business address of each member of the governing body of the public agency; and, (4) the name, title, and residence or business address of the chairman, president, or other presiding officer, and clerk or secretary of the governing body of such public agency. The Secretary of State’s office notes that this roster is often confused with another roster, also compiled by the Secretary of State’s office, known as the California Roster, which contains contact information of state public officeholders, county officials, and city officials. Periodically, a third party organization or member of the public goes through the time and effort of requesting information for one roster – only to find out later that they incorrectly requested and received files from the other similarly named roster. Additionally, parties responsible for filing updates to this roster often confuse both rosters. SB 780 changes the name of the “Roster of Public Agencies” to the “Registry of Public Agencies.”
 - b) **Property Tax Postponement Program.** The Senior Citizens and Disabled Citizens Property Tax Postponement Law (PTP) allows the State Controller to pay property taxes to county tax collectors on behalf of individuals over the age of 62 or disabled persons making less than \$35,500 in income per year. The State Controller’s Office (SCO) secures repayment by recording a lien against the claimant’s property, which is satisfied when the home is sold or refinanced. As liens are repaid out of sales proceeds, revenue flows back to the Controller, who in turn uses these funds to pay property taxes for new applicants. Once the homeowner pays off the obligation, the SCO releases the lien. Current law requires SCO to collect the release of lien fee for regular homes and send the release of lien to the county recorder. However, for manufactured homes, the law requires SCO to give the individual homeowner the release of lien and requires them to take it to the Housing & Community Development Department (HCD) and pay \$6 to release the lien. The SCO notes that having the release of lien change hands multiple times is

inefficient. SB 780 instead directs SCO to collect the \$6 at the time the person pays off their PTP account and send the \$6 with the release directly to HCD.

- c) **Siskiyou County Public Administrator.** State law establishes various county offices, including the public administrator, who is responsible for administering the estate of a county resident who dies. Public administrators are elected positions, but the board of supervisors in 15 counties are authorized under law to appoint a public administrator. In addition, boards in 11 counties can have a joint public guardian and public administrator. Finally, 10 counties may separate the public guardian and district attorney offices. Siskiyou County notes that the public administrator role is similar to the public guardian role, and that the current arrangement whereby the district attorney holds the public administrator office is inefficient. SB 780 allows Siskiyou County to consolidate the public administrator and the public guardian as an appointed official.
- d) **Los Angeles County Delegated Authority Thresholds.** Current law allows the Los Angeles County Board of Supervisors to delegate certain purchasing and leasing authority to other county officials. The County of Los Angeles notes that these thresholds have not been updated in decades, such that the real value of those thresholds has decreased significantly. In order to keep pace with inflation, SB 780 makes the following changes to the Los Angeles County Board of Supervisors' ability to delegate certain purchasing and leasing authority to other county officials:
 - i) Government Code Section 25350.51 allows the Board of Supervisors of any county to delegate to a purchasing agent or other appropriate county official, the authority to enter into or amend leases whose term does not exceed five years and for a rental that does not exceed \$7,500 per month. This amount was last increased in 2006. SB 780 increases the threshold for entering into or amending leases to \$10,000;
 - ii) Government Code Section 31000.9 authorizes the Board of Supervisors of the County of Los Angeles, by ordinance, to authorize county officers having responsibility for the design and construction of county projects to enter into contracts for architectural, engineering, and related services up to \$75,000. The current limit was established in 1977. SB 780 increases the delegated authority threshold to \$330,000 to keep up with inflation, and provides that nothing in the section shall be construed to remove the county's requirement to follow applicable provisions of the Public Contract Code regarding advertising of public works projects and award of contracts; and,
 - iii) Public Contract Code Section 20145 allows the Board of Supervisors of the County of Los Angeles, by ordinance, to authorize a county officer to adopt and advertise plans and specifications, and award and change contracts, for construction projects up to \$75,000. This amount has not been increased since 1982. SB 780 increases the delegated authority threshold for advertising plans and awarding construction contracts to \$330,000 to keep up with inflation since it was last adjusted, and provides that nothing in the section shall be construed to remove the county's requirement to follow applicable provisions of the Public Contract Code regarding advertising of public works projects and award of contracts.
- e) **Special District Reporting.** State law establishes the office of the auditor in each county and requires the county auditor to conduct, or contract with an accountant to conduct, an annual audit of every special district, unless the county board of supervisors unanimously

allows the special district to follow an alternative plan for examining its financial records. These annual audits must be filed with the State Controller and the applicable local agency formation commission (LAFCO), which is an entity in each county that is responsible for setting local government boundaries. The State Association of County Auditors notes that, despite the responsibility of the county auditor to conduct this audit or contract for it to be performed, it can be difficult for the county auditor to get a copy of the final audit. SB 780 adds the county auditor to the list of entities to whom the final audit must be provided.

- f) **Lien Release Fees.** State law imposes various fees for recording documents to fund the operations of county recorders and other programs. However, government entities are exempt from these fees, including for recording liens, encumbrances, or notices. Instead, when an individual clears the lien, they must record a lien release and pay a fee of \$8. Historically, the fee for lien releases was scaled to equal double the fee to record the lien in order to reflect the cost of recording the initial lien (which is never paid because the lien is recorded by government entities) and the cost of recording the release. Accordingly, in 1975, the Legislature set the fee to release a government lien at \$6, when the regular one-page recording fee was \$3. Subsequently, in 1985, the Legislature increased the government lien release fee to \$8 to reflect an increase to \$4 in the regular one-page recording fee. The County Recorders' Association of California notes that, although the regular one-page recording fee was increased in 2009 to \$10 (SB 676, Wolk), the government lien release fee was not also increased. SB 780 sets the government lien release fee at two times the cost of the regular one-page recording fee.
- g) **Rescission of Williamson Act Contracts.** The California Land Conservation Act of 1965, also known as the Williamson Act, is a program administered by the California Department of Conservation (DOC) to conserve agricultural and open space land. The Williamson Act allows private property owners within "an agricultural preserve" to sign voluntary contracts with counties and cities that restrict their land to agriculture, open space, and compatible uses for the next 10 years. Current law authorizes a Williamson Act contracted landowner to rescind a contract to simultaneously place other land under an agricultural conservation easement, with the approval of either the Secretary of the Natural Resources Agency or the Director of DOC. The DOC notes that the applicable section of law was added twice to the Government Code through SB 831 (Baca, 1999) and SB 985 (Johnston, 1999). Both versions are identical, except in who approves the agreement. SB 780 repeals the Director version of 51256.1 (Section 2 of Chapter 944 of Statutes of 1999) and retains the Secretary version (Section 6 of Chapter 1018 of Statutes of 1999).
- h) **Incorrect Cross-References in Housing Element Law.** Current law establishes a definition of infill site, which is used in multiple places throughout state law. The section of law that includes this definition was renumbered, and many cross-references were corrected. However, Committee staff notes that a reference to the infill definition in housing element law still refers to the previous incorrect section. The same section of law also includes an incorrect cross reference to the laws governing accessory dwelling units. SB 780 corrects these cross references.

- i) **Weed Recreation and Parks District Powers.** State law provides for the creation, powers, and duties of various types of special districts, which must seek approval of the county LAFCO to exercise those powers. There are two cemeteries located within the City of Weed's jurisdictional boundaries. The City currently funds the maintenance of the two cemeteries, which are owned by a local non-profit corporation. The non-profit intends to cease operations soon, and the City has asked the Weed Recreation and Parks District to accept title to the property and maintain the cemeteries. The cemeteries are within the District's existing boundaries. The Weed Recreation and Parks District notes that Weed is a small community, where it can be difficult to find individuals who can serve on special districts. It would be challenging to maintain an independent Cemetery District. Therefore, the City and District believe it is in the community's best interest to allow the District to assume responsibility for the cemeteries. SB 780 allows the Weed Recreation and Parks District to exercise the powers of a Cemetery District, if approved by the Siskiyou County LAFCO.
- j) **Building Permits to County Assessors.** Revenue and Taxation Code Section 72 requires cities and counties to transmit to the county assessor copies of building permits and "other documents" that show the date of completion of new construction issued or finalized by a city or county. The California Assessors Association notes that cities and counties are not the only agencies who issue building permits in California, and that some challenges can occur in obtaining building permits from other agencies. SB 780 adds any entity authorized to issue a building permit to the list of entities that are required to provide building permits to the county assessor.
- k) **County Auditor Vehicle License Fee (VLF) Adjustment Amount Reporting.** Current law requires county auditors to report to SCO, on or before June 30 of each fiscal year, the VLF adjustment amount for the county and each city in the county for that fiscal year. Current practice is that SCO sends out a one-page form to the county auditors. Many of these forms are filled out in hand-writing or by attaching a photo or PDF of a report. A member of the public notes that upon receipt, the Controller simply stores these completed forms electronically in PDF form. They are not published anywhere, nor are they compiled, making these forms inaccessible to the public. SB 780 requires county auditors to report this information in an electronic format specified by SCO and directs SCO to compile and report this information on its website in a readily accessible electronic format.
- l) **Repeal of Joshua Basin Standby Charge Special Authority.** Current law authorizes the Joshua Basin Water District to collect water standby or availability charges or assessments, subject to Water Code 31031.5, up to \$30. When this authority was enacted, this was three times the rate cap on other water districts, which were only allowed to charge \$10 under Water Code section 31031. Water Code section 31031.5 has not been amended since 1982. In 1988, however, the Legislature adopted the Uniform Standby Charge Procedures Act, Government Code section 54984 et seq., to provide greater flexibility in setting standby charges to all water providers. Other water districts may use this process to establish standby charges and assessments, while Joshua Basin must use its special statute. Thus, the District notes that the effect of Water Code section 31031.5 is to reduce, not enhance, the Joshua Basin's authority. SB 780 would repeal this special authority.

- 2) **Author's Statement.** According to the author, "Each year local officials discover problems with the state statutes that affect counties, cities, special districts, and redevelopment agencies, as well as the laws on land use planning and development. These minor problems do not warrant separate (and expensive) bills. According to the Legislative Analyst, in 2001-02 the cost of producing a bill was \$17,890. The Senate Governance & Finance Committee responds by combining several of these minor topics into an annual 'omnibus bill.' In 2018, for example, the Committee's omnibus bill was SB 1498, which contained noncontroversial statutory changes to 11 areas of local government law, avoiding more than \$150,000 in legislative costs. Although this practice may violate a strict interpretation of the single-subject and germaneness rules as presented in *Californians for an Open Primary v. McPherson* (2006), it is an expeditious and relatively inexpensive way to respond to multiple requests."
- 3) **Conflicting Legislation.** Provisions of this bill conflict with AB 213 (Reyes), AB 818 (Cooley), and AB 1824 (Committee on Natural Resources) and may need amendments to address the conflict, should the bills continue to move through the legislative process.
- 4) **Arguments in Support.** Supporters argue that this bill makes several non-controversial changes to the statutes governing local governments that are proposed from a variety of stakeholders and that these minor problems do not warrant separate and expensive bills; therefore, the omnibus bill offers a feasible vehicle to maintain the accuracy and effectiveness of state law.
- 5) **Arguments in Opposition.** None on file.

REGISTERED SUPPORT / OPPOSITION:**Support**

County of Santa Clara
County of Siskiyou
Secretary of State Alex Padilla

Opposition

None on file

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