

Date of Hearing: June 13, 2018

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

SB 929 (McGuire) – As Amended March 6, 2018

SENATE VOTE: 38-0

SUBJECT: Special districts: Internet Web sites.

SUMMARY: Requires all independent special districts, with certain exceptions, to have a website by January 1, 2020. Specifically, **this bill:**

- 1) Requires all independent special districts to establish and maintain a website by January 1, 2020, and the website to conform to all existing requirements that local agency websites are obligated to follow, and it must clearly list the contact information of the independent special district.
- 2) Exempts a special district that, with a majority vote of its governing body, adopts a resolution that contains the following information:
 - a) A determination that a hardship exists that prevents the district from establishing and maintaining a website; and,
 - b) Detailed findings noted in the official meeting minutes supporting the related hardship. Such hardships can be included, but not limited to, inadequate access to broadband communications, significantly limited financial resources, or insufficient staff resources.
- 3) Specifies that the adopted resolution is valid for one year and the district must adopt a resolution annually for the exemption to apply.
- 4) Includes findings and declarations to support its purposes.

EXISTING LAW:

- 1) Authorizes the creation of 36 types of special districts and creates approximately 140 special act special districts, totaling over 2,000 entities.
- 2) Requires local agencies, including special districts, which have a website, to include specified information on their websites.
- 3) Requires all health care districts to adopt an annual budget, adopt a grant funding policy, and establish and maintain a website that includes the district's contact information.

FISCAL EFFECT: According to the Senate Appropriations Committee, this bill contains potentially reimbursable, but likely minor, state-mandated local costs for independent special districts to comply with the requirements of this bill.

COMMENTS:

- 1) **Websites.** As technology advances, the Legislature often amends statutes to capture these advancements and take advantage of any potential public benefits. For example, the Brown Act requires all local agencies to post the agenda for any regular meeting 72 hours in advance in a location that is freely accessible to the public. The agenda must clearly specify the meeting's time, location, and the topics that will be deliberated. Despite this requirement, a local agency's constituents still have to know when the agency plans to meet, where the agenda is posted, and physically travel to the location where the agenda is posted or contact the agency directly to discover what topics the agency is planning to discuss. With the proliferation of Internet access and local agencies utilizing this tool to communicate with its constituents, AB 1344 (Feuer), Chapter 692, Statutes of 2011, required all local agencies that have a website to post its meeting agendas on the website 72 hours in advance, effectively making the agenda more accessible to the public by taking advantage of advancements in technology. Additionally, SB 272 (Hertzberg), Chapter 795, Statutes of 2015, and AB 2040 (Garcia), Chapter 894, Statutes of 2014, required local agencies to post on their websites a list of the agency's enterprise systems and the agency's employee compensation report, respectively.
- 2) **Little Hoover Commission Report.** The Little Hoover Commission serves as California's independent oversight agency by investigating government operations. Through reports and legislative proposals, it makes recommendations to the Governor and Legislature to promote economy, efficiency, and improved service in state operations. The Commission released the report "Special Districts: Improving Oversight and Transparency" in August 2017, making 20 different recommendations to improve the accountability and operation of special districts. One recommendation from the report is for the Legislature to mandate every special district, with certain exceptions, establish and maintain a website that contains key information regarding its obligations and operations. The California Special Districts Association wants the Legislature to implement the Commission's proposal that every special district have a website, with certain exceptions.
- 3) **Bill Summary.** This bill requires all independent special districts to establish and maintain a website by January 1, 2020. If a particular special district declares a hardship due to lack of financial or staff resources or an absence of broadband connectivity, among other reasons, the special district can grant itself an exemption from the requirement by adopting a resolution. The board of the independent special district must adopt a resolution, in a public meeting, every year for the exemption to continue. This bill is sponsored by the California Special Districts Association.
- 4) **Author's Statement.** According to the author, "SB 929 is a transparency bill. California has over 2,000 independent special districts that operate a range of local services for millions of Californians, such as utilities, fire protection, parks, and transit. However, less than half of all special districts have websites. While special districts provide a number of essential services to residents all across this great state, consumers may be unaware of what their local special district does or even how to contact them. There is currently no requirement that special districts must create and maintain a website, leaving many Californians without easily

accessible information for these essential services. Residents are essentially in the dark. It's time to shine a light on the mission of these districts and provide the residents of California with transparency. SB 929 is an important first step that will require every independent special district to create and maintain a website with specific information by January 1, 2020."

- 5) **Hardship.** California's special districts come in many shapes and sizes. For example, special district budgets range from over \$1 billion to as little as \$15,000. SB 929 recognizes that some districts do not have sufficient resources or broadband connectivity, making it exceedingly difficult or even impossible to establish and maintain a website. This bill allows such a district to adopt a resolution declaring a specific hardship to obtain an exemption. Also, understanding that circumstances change, this bill requires a district to renew the hardship resolution annually in order to qualify for the exemption. However, without strict thresholds for a district to qualify for the exemption, this bill leaves open for interpretation by every district board what a hardship actually is, allowing a window for potential abuses.
- 6) **Related and Prior Legislation.** Last year, AB 1728 (Committee on Local Government), Chapter 265, Statutes of 2017, required all health care special districts to adopt an annual budget, adopt a grant funding policy, and establish and maintain a website that includes the district's contact information, among other requirements.

AB 2019 (Aguiar-Curry) of this year, requires, rather than allows, a healthcare district's board to post the additional information on the district's website, including the district's adopted budget, a list of the district's current board members, and information regarding public meetings required by the Local Health Care District Law or the Ralph M. Brown Act, among other pieces of information.

- 7) **Augments in Support.** Supporters argue that by requiring independent special districts to have and maintain a website that contain specific documents and other pieces of information, SB 929 will help provide greater access to special district services and greater transparency and accountability of the governing bodies who oversee them.
- 8) **Arguments in Opposition.** None on file.

REGISTERED SUPPORT / OPPOSITION:

Support

California Special Districts Association [SPONSOR]
 Alameda County Mosquito Abatement District
 Association of California Healthcare Districts
 Association of California Water Agencies
 Auburn Area Recreation and Park District
 Beach Cities Health District
 California Association of Local Agency Formation Commissions
 California Municipal Utilities Association
 Castro Valley Sanitary District

Support (continued)

Central Contra Costa Sanitary District
Contra Costa Local Agency Formation Commission
East Bay Municipal Utility District
East Orange County Water District
East Valley Water District
Eastern Municipal Water District
El Dorado Hills Community Services District
El Dorado Local Agency Formation Commission
Fresno Metropolitan Flood Control District
Fresno Mosquito and Vector Control District
Georgetown Divide Public Utilities District
Gold Mountain Community Services District
Goleta West Sanitary District
Humboldt Bay Municipal Water District
Imperial Local Agency Formation Commission
Indian Valley Community Services District
Kern County Cemetery District No. 1
McKinleyville Community Services District
Midpeninsula Regional Open Space District
Novato Sanitary District
Placer County Water Agency
River Pines Public Utility District
Sacramento Municipal Utility District
San Joaquin County Mosquito and Vector Control District
Santa Clara Local Agency Formation Commission
Santa Clara Valley Water District
Santa Clarita Valley Water Agency
Santa Margarita Water District
Santa Ynez Community Services District
Stockton East Water District
Tahoe City Public Utility District
Three Valleys Municipal Water District
Town of Discovery Bay Community Services District
Trinity Public Utilities District
Tulare Mosquito Abatement District
United Water Conservation District
Western Municipal Water District
Yolo Local Agency Formation Commission

Opposition

None on file

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