



TAKE ACTION BRIEF

October 2019

The first year of the 2019-2020 Legislative Session ended on September 13. In the final week, the Legislature passed over 700 bills. Governor Gavin Newsom now has until the Constitutional deadline of October 13 to sign or veto the hundreds of bills on his desk.

Once the Governor has signed or vetoed all legislation awaiting his action, CSDA will publish our Year-End Legislative Report highlighting the disposition of bills CSDA has advocated on. Additionally, CSDA’s lobbyists will overview some of the most significant legislation affecting special districts at the Legislative Roundup webinar scheduled for October 31 at 10:00 a.m. Visit CSDA’s website at www.CSDA.net to register for the webinar.



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➤ REVENUE, FINANCES, AND TAXATION

CSDA's long range policy priority on revenue, finances, and taxation is to ensure adequate funding for special districts' safe and reliable core local service delivery. Protect special districts' resources from the shift or diversion of revenues without the consent of the affected districts. Promote the financial independence of special districts and afford them access to revenue opportunities equal to that of other types of local agencies.

With Fire and Park Agencies Opposed, Governor Signs Bill Restricting Impact Fees

On October 9, Governor Gavin Newsom signed SB 13 (Wieckowski) in an attempt to stimulate the development of accessory dwelling units (ADUs) by severely limiting development impact fees for these structures. The legislation will take effect January 1.

Earlier this year, SB 13 passed out of both the Assembly Committees on Housing and Local Government with some positive amendments that removed fee prohibitions for water and wastewater charges. Unfortunately, the new law will restrict crucial revenue for fire protection, parks, and other local services.

The Assembly Committees on Housing and on Local Government passed the bill without any "No" votes, a sign of the Legislature's concern over California's housing challenges.

Specifically, SB 13 prohibits development impact fees on ADUs smaller than 750 square feet, and significantly limits the impact fees that may be charged to larger ADUs. Given that revenue for local governments is tightly restricted by the California Constitution, fees are one of the few ways that special districts can offset for the indirect costs of growth. Impact fees are critical for park and fire protection districts to adequately serve the very people the Legislature hopes to house in ADUs.

CSDA and a coalition of local agencies provided vocal opposition to SB 13. Along with dozens of veto request letters, CSDA members wrote editorials for major newspapers, including one recently published in the [Sacramento Bee](#) by the Chief of the North Tahoe Fire Protection District.

If you have any questions about SB 13, please contact CSDA Legislative Representative Anthony Tannehill at anthonyt@csla.net.



➤ GOVERNANCE AND ACCOUNTABILITY

CSDA's long range policy priority on governance and accountability is to enhance special districts' ability to govern as independent, local government bodies in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant, or one-size-fits all approaches. Protect meaningful public participation in local agency formations, dissolutions, and reorganizations, and ensure local services meet the unique needs, priorities, and preference of each community

Email Retention Bill Awaiting Action by Governor

[Assembly Bill 1184 \(Gloria\)](#), which will require all public agencies to store any transmitted emails related to agency business for at least two years without reimbursing local agencies by claiming it is in furtherance of the California Public Records Act (CPRA), is awaiting action on the Governor's desk. We need your help in asking the Governor to veto the bill.

To be clear, AB 1184 is not a transparency bill, it is a data storage bill. The public will have no greater access to public records under AB 1184. This bill creates no new disclosures of records in the CPRA. It mandates that public agencies incur the cost of retaining all emails for two years, even when many of those emails are precluded from disclosure by the CPRA.

In actuality, this bill will harm the public's access to public records. As highlighted by the Department of Finance's analyses of AB 1184, "[t]he retention of non-pertinent e-mails and the need to search through those e-mails, particularly for less specific CPRA requests, increases the amount of time needed to complete CPRA requests. This makes compliance with the CPRA more difficult in these instances and *produces worse outcomes for persons and entities submitting those requests* [emphases added]."

Additionally, AB 1184 will add millions of dollars in costs annually to the state and local agencies, including special districts. Public agencies will be forced to pay for additional data storage space as well as hire additional staff to sort through the millions of emails that are exempt from disclosure under the CPRA but mandated to be retained under AB 1184 in order to respond to public records act requests. Without the ability to be reimbursed for this costly unfunded mandate, public agencies will be forced to either raise fees and taxes or cut services to the communities they serve.

Please visit CSDA's [Take Action Page](#) at csda.net/take-action to download a sample veto request letter for AB 1184.



➤ INFRASTRUCTURE, INNOVATION, AND INVESTMENT

CSDA's long range policy principal regarding infrastructure, innovation, and investment is to encourage prudent planning for investment and maintenance of innovative long-term infrastructure. CSDA supports the development of fiscal tools and incentives to assist special districts in their efforts to meet California's changing demands, ensuring the efficient and effective delivery of core local services.

Resources and Funding Panel Named for November 6 Special Districts Roundtable

CSDA is pleased to announce the confirmation of four expert panelists who will participate on the State Resources and Funding Panel (one of three panels) at the first Special Districts [Climate Adaptation Roundtable](#) to be held **November 6 in Berkeley**.

Participants on the State Resources and Funding Panel include:

- Karalee Browne, *Sustainable Communities Program Manager*, **Institute for Local Government (Moderator)**
- Nuin-Tara Key, *Climate Resilience Program Director*, **Governor's Office of Planning and Research**
- Nichole Morgan, *Manager*, **California State Water Resources Control Board**
- Jessica Buendia, *Deputy Director*, **Strategic Growth Council**

The State Resources and Funding Panel is part of a half-day event intended to equip special districts and share challenges and opportunities for developing local infrastructure and services for a changing climate, such as:

- Sustainable water sources
- Wastewater and solid waste recycling and recovery systems
- Fire prevention and suppression capabilities
- Resource conservation and open space
- Transportation and goods movement

[Register today for the Special Districts Climate Adaptation Roundtable at csda.net](https://www.csda.net/register-today-for-the-special-districts-climate-adaptation-roundtable-at-csda.net)

Throughout the year, CSDA has engaged in dialogue with special districts, state agencies, policy experts and other stakeholders with the intent to share timely and practical information for helping special districts best serve their communities and regions. The Special Districts Climate Adaptation Roundtable is the culmination of these efforts. It will provide a forum for collaboration and access to information and resources.

Help Other Special Districts by Completing CSDA's Brief Survey

If your district has a climate plan or would like to be considered for the Case Studies Panel, please complete our brief [CLIMATE ADAPTION AND NATURAL DISASTER PREPARADNESS SURVEY](#).

Would Your Business or Agency Like to Sponsor the Roundtable?

Sponsorships are still available for this inaugural event. All sponsorship information is included on our [event page at csda.net](#).

For more information about the Special Districts Climate Adaptation Roundtable, please email colleenh@csda.net.



➤ HUMAN RESOURCES AND PERSONNEL

CSDA's long range policy priority on human resources and personnel is to promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees, both represented and non-represented.

Pension Bill Pulled Back from Governor's Desk

[Senate Bill 266 \(Leyva\)](#), which would require public agencies to directly pay retirees and/or their beneficiaries disallowed retirement benefits using general fund dollars, recently passed the State Legislature. However, using a rare procedural motion on the final day of the legislative year, the bill's author requested the bill be removed from the Governor's desk and be held at the Senate desk until it can be acted on in some fashion in January.

While the exact rationale for the Legislature's retraction of SB 266 is still unknown publicly, it is likely that the Governor's office informed the author's office about concerns with the bill that need to be addressed before the Governor would consider signing the bill. As a result, CSDA along with other public agency partners, will be working with the author's office and the Governor's office between now and when the Legislature comes back in January in the hopes of addressing our concerns.

As currently drafted, SB 266 places liability on public agencies and their taxpayers for 100 percent of the total liability for pension overpayments—abdicating all responsibility previously held by CalPERS to ensure that retirement benefits are calculated and administered correctly. As such, SB 266 is a de facto and retroactive benefit enhancement measure that will further strain local agency budgets at a time where retirement obligations are effectively curtailing agencies' ability to deliver essential services for the public.

Under current law, once a benefit is determined to be "disallowed," both the employer and the employee cease making future payments on that benefit and past contributions from the employee are returned to the employee, while past contributions from the employer are applied towards future payment. Unfortunately, in the case of a retiree that received the disallowed benefit, the pension system must recoup the overpaid benefit from the retiree. They must do so because it is unlawful to pay out a benefit that is not legally allowable or earned.

SB 266 removes all responsibility by CalPERS to ensure benefits are reviewed, calculated and administered correctly. Instead, SB 266 places sole responsibility on the employer—even if the employer exercises their right to have CalPERS review their compensation proposal as proposed in section 5 of the measure. Additionally, recent amendments to SB 266 further remove accountability from CalPERS to provide the proper guidance needed by local agencies on compensation proposals. The lack of accountability by the administrator of public retirement benefits will lead to more confusion and compliance challenges for public agencies.

To be clear, Senate Bill 266 will require agencies to issue unlawful, payments to former employees and/ or their beneficiaries in perpetuity. Public agencies cannot continue to make payments to retirees as proposed by SB 266 for the same legal basis that requires pension systems to recoup their disallowed retirement benefit payments to retirees. Continued payment of a disallowed benefit to a retiree would constitute a gift of public funds, in violation of Section 6, Article 16 of the California Constitution. Such violation would leave a public agency left to defend itself from costly litigation lawsuits filed by members of the public.

CSDA will continue to provide updates on this significant legislation as we prepare for it to be heard again in the Legislature in 2020. Should you have any questions about this legislation, please contact CSDA's Senior Legislative Representative, Dillon gibbons, at dillong@cdda.net.



➤ LEGAL ADVOCACY

CSDA is the leading legal advocacy voice for all special districts regarding public policy in California and actively tracks and reviews cases of significance affecting special districts in state and federal courts. Under the guidance of CSDA's Legal Advisory Working Group, CSDA files amicus briefs and opines on court cases when appropriate.

Surplus Land Bill Signed Following CSDA's Removal of Opposition

Last month, the State Legislature passed [AB 1486 \(Ting\)](#), governing the use and disposal of surplus land owned by special districts and other public agencies. On October 9, the bill was signed by Governor Gavin Newsom.

The Surplus Land Act ([Government Code § 54220, et seq.](#)) requires special districts and other local agencies to offer surplus land to schools, parks and recreation, open space, and affordable housing developers before disposing of the land to any other entity (commonly residential or commercial development). As originally introduced, the bill applied to both the sale and lease of special district surplus land. It was amended in the Assembly to limit the bill to the sale of land, but the bill sponsors may continue to press in future years for restrictions on leasing special district land.

CSDA strongly opposed AB 1486 throughout the year, joined by a groundswell of grassroots opposition to the bill from dozens of special districts that expressed their concerns by submitting letters to various committees and legislators. After months of working with the author's office, compromise amendments were taken September 6 to remove opposition from CSDA and the coalition. The amendments substantially expanded the definition of "agency's use" for special districts (not applicable to transit agencies) to permit a wide range of uses of surplus land, including commercial, retail or entertainment uses if the district board declares that the "agency's use" of the surplus land either directly furthers the express purpose of agency work or operations or is expressly authorized by a statute governing the district.

The negotiated amendments to AB 1486 also permit additional activities by a district in the "pre-negotiation" stage of disposing surplus land. Finally, a proposed 50 percent penalty of the final sale value of the land for violating the Surplus Land Act was reduced to 30 percent for a first-time offense and 50 percent for any subsequent offense, and the penalty provision will not go into effect until January 1, 2021.

CSDA thanks all the districts that submitted letters on AB 1486, without your efforts we may not have been successful in securing amendments to address special districts' largest concerns.

Should you have any questions regarding the amendments that removed CSDA's opposition or the potential effect of AB 1486 on your district, contact CSDA Legislative Analyst-Attorney Mustafa Hessabi at mustafah@csda.net.



➤ OTHER WAYS TO TAKE ACTION

Learn More

CSDA's next and final conference of the year is the 2019 Board Secretary/Clerk Conference in **November 12-14** in Seaside, CA. Whether you are a new or seasoned board secretary/clerk, continuing education is essential to keeping current on the many aspects of your job. In an effort to expand educational opportunities for this important position in special districts, and to provide an opportunity to recognize individuals who invest the time in becoming trained in the various components of the job, CSDA created this certificate program.

The conference will also include two optional pre-conference workshops: Writing Minutes and Meeting Notes OR Effective Presentations. In Addition, there are 10 NEW advanced attendee session options including advanced courses for returning certificate holders and a revised first-time attendee track.

Check out the official 2019 Board Secretary/Clerk Conference page at csda.net/boardsecretary to register and view the complete schedule!

Utilize Resources

Have you completed CSDA's Administrative Salary & Benefits Survey yet? CSDA launched a new online survey tool that provides a user-friendly format for entering and accessing important salary and benefit data. Districts that complete the survey can receive \$125 off the purchase of the final results and customized reports. Downloadable survey results and reports will be available this fall. For examples of the data collected and reported in this survey, visit csda.net/member-resources/salary-survey or contact us at membership@csda.net.

Join Today

Join an Expert Feedback Teams to provide CSDA staff with invaluable insights on policy issues. Email marcusd@csda.net to inquire about joining one of the following teams:

- Budget, Finance and Taxation
- Environment
- Formation and Reorganization
- Human Resources and Personnel
- Governance
- Public Works and Contracting

Stay Informed

In addition to the many ways you can **TAKE ACTION** with CSDA's advocacy efforts, CSDA offers a variety of tools to keep you up-to-date and assist you in your district's legislative and public outreach. Make sure you're reading these resources:

- CSDA's weekly e-Newsletter
- Districts in the News
- CSDA's CA Special District Magazine

Email advocacy@csda.net for help accessing these additional member resources.