

Where The Biggest Legislative Issues Stand At The Break: 2023 CSDA Mid-Year Legislative Report

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In the first six months of action in the State Capitol, CSDA's advocacy team vigorously lobbied numerous special district priorities, including bills impacting the Brown Act, Surplus Lands Act, public works and infrastructure, as well as key State Budget requests. The deadline for bills to be heard in second-house policy committees was July 14 and the State Legislature is now on Summer Recess offering a brief pause to assess the status of bills affecting special districts and the communities they serve.

The first year of the 2023-2024 State Legislative Session got off to a busy start, with 2,661 bills introduced. CSDA's Legislative Committee has tracked 1,166 bills, including 91 priority positions, such as support, support if amended, oppose, oppose unless amended, concerns, and neutral following amendments. The report includes significant legislative highlights, as well as access to all CSDA-tracked bills with priority positions.

When the Legislature reconvenes on August 14, bills having a fiscal impact will be heard in each house's respective Appropriations Committee before being taken up on the floor. All bills must be passed by September 14 and the last day for Governor Gavin Newsom to sign or veto bills is October 14.

CSDA remains engaged on all the most important bills and issues impacting special districts. Look for additional updates in Advocacy News and CSDA eNews.

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**California Special
Districts Association**
Districts Stronger Together

Significant Legislative Highlights

Bill Report



2023 Mid-Year Legislative Report

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2023 MID-YEAR LEGISLATIVE REPORT

SIGNIFICANT LEGISLATIVE HIGHLIGHTS: *The Voice of Special Districts*

In the first year of the 2023-2024 Legislative Session, the California State Legislature introduced and CSDA reviewed 2,661 bills. CSDA's Legislative Committee adopted positions on 1,166 bills, including 91 priority positions, such as support, support if amended, oppose, oppose unless amended, concerns, and neutral positions following amendments.

Important bills on which CSDA has been engaged include:

AB 557 (Hart) Open meetings: local agencies: teleconferences:

- CSDA has sponsored this bill in order to preserve important emergency remote meeting procedures that have been effectively utilized throughout the state.
 - CSDA is working with partner sponsors at the California State Association of Counties, the League of California Cities, and the California School Boards Association to eliminate the sunset date currently applied to emergency remote meeting procedures established by prior legislation. That prior legislation was also sponsored by CSDA.
 - This bill will also adjust the renewal period associated with the emergency remote meeting procedures. Under current law, local agencies are required to meet every 30 days (or sooner) when meeting remotely during emergencies under certain conditions. This bill would change that 30-day period to 45 days.

SCR 52 (Alvarado-Gil) Special Districts Week:

- CSDA has sponsored this resolution to continue to spotlight the value of the essential local services provided by special district members.
 - The resolution proclaimed the week of May 14, 2023, to May 20, 2023, to be Special Districts Week.
 - This resolution builds on resolutions from previous years, in which the Legislature had similarly encouraged all Californians to be involved in their communities and be civically engaged with their local government.

Local Revenue Legislation:

- CSDA has worked to protect special district revenues, opposing costly mandates and averting policy changes that would have further disrupted district finances.
 - **AB 516 (Ramos)** - CSDA led efforts to resolve issues created by revisions to audit requirements related to development project fees. CSDA took a Concerns position on the bill upon recognizing the potential for confusion surrounding capacity and connection charges. Amendments taken in the Senate Appropriations Committee restore clarity and ensure these fees continue to operate under pre-existing audit requirements.
 - **AB 1713 (Gipson)** - CSDA joined local agency stakeholders in opposing legislation that would have created overbroad reporting requirements. Previously, this bill would have required additional reporting related to state and federal fund allocations. Local agencies that were approaching a year remaining before the expiration of half the allocated funds would be required to draft reports with specified information, including a summary of how funds had been expended

until that point and a plan for the remaining funds to be expended. Recent amendments taken in the Senate Governance and Finance Committee have significantly narrowed the application and scope of this bill, ensuring district financial resources are dedicated to service delivery rather than additional bureaucracy.

- **AB 1490 (Lee)** - This bill could have potentially jeopardized special district revenues by prohibiting the collection of certain fees on specified types of housing development projects. The bill would have required “local governments” to waive “building and permit fees” on these classes of projects. Without a clear definition of “building fee” in law, the bill potentially threatened to endanger any fee-related revenue that may have been necessary for covering the costs of the development project. Amendments dropping these provisions that were taken prior to the bill being heard in the Assembly Local Government Committee allowed CSDA to change to a Neutral position.
- **AB 281 (Grayson)** - This bill could have inappropriately lumped special districts in with cities and counties; by treating special districts as permitting agencies for housing developments, districts were going to be subject to procedural and substantive requirements incongruous with the actual nature of special districts’ involvement in housing projects. These requirements had the potential to invite needless litigation, draining district resources to defend necessary revenue streams. CSDA took a Concerns position and worked with the author’s office and the bill’s sponsors to identify potential avenues of redress. Amendments taken as a result of these discussions allowed CSDA to move to a Neutral position.
- CSDA has also worked to provide for new financing mechanisms for special districts, supporting an effort to provide special districts and other local agencies with the ability to fund public infrastructure.
 - **Assembly Constitutional Amendment 1 (Aguiar-Curry)** - This proposed constitutional amendment would, upon passage by two-thirds of the California Legislature (and subsequent approval by California voters), allow special districts and other local agencies to propose to issue general obligation bonds in order to finance public infrastructure and affordable housing projects, provided the bond measure question receives the support of at least 55% of voters. In doing so, this amendment would provide districts with a more realistic financing tool that could be used to finance district projects. CSDA has joined various other local government stakeholders in supporting this measure.

AB 764 (Bryan) Local redistricting:

- This bill proposes to enact the FAIR MAPS Act of 2023, a successor to the FAIR MAPS Act of 2018. The FAIR MAPS Act of 2023 establishes required protocols and processes for special district redistricting, much like how the 2018 Act did for local agencies. Notably, the provisions that apply to special districts are distinct from those that apply to other types of agencies; the difference in treatment acknowledges the disparity in resources held by special districts compared to other local governments.
 - CSDA joined other local government associations in working to amend language related to the creation of a new private right of action that would have led to increased litigation. Plaintiffs taking legal action against special districts could potentially recover court costs and attorneys’ fees. Recent amendments following

the bill's passage in the Senate Governance and Finance Committee have significantly revised these and related provisions.

AB 1637 (Irwin) Local government: internet websites and email addresses:

- This bill would have required all local governments, including special districts, to transition to using websites and email addresses with .gov or .ca.gov domain names. Websites not using .gov or .ca.gov domain names would be permitted to redirect to a new compliant website.
 - CSDA worked with a local government coalition with an Oppose Unless Amended position on the bill. CSDA's members provided robust data supporting significant costs to comply with the unfunded mandate, which were included in the Assembly Appropriations Committee analysis. Amendments taken in the Assembly Appropriations Committee narrowed the bill to apply only to cities and counties, removing special districts from the bill's application and allowing CSDA to withdraw its opposition.

Surplus Land Act (SLA) legislation:

- CSDA has been heavily engaged in legislative efforts to reform the Surplus Land Act, leading coalitions on bills that are both potentially beneficial and potentially detrimental to special districts, including:
 - **SB 747 (Caballero)** - CSDA is leading a local government coalition with a Support if Amended position on this bill which will add clarity to the SLA, including by making the entry of leases more than 15 years subject to the SLA. CSDA is seeking amendments to increase the lease term, among other changes.
 - **AB 480 (Ting)** - CSDA is leading a local government coalition with an Oppose Unless Amended position on this bill, which initially sought to make several detrimental changes to the SLA that would have increased confusion and inefficiencies, and undermined protections applicable to special districts. As a result of CSDA's advocacy efforts, this bill was significantly amended, removing the most concerning elements.
 - **AB 457 (Patterson, Joe)** - This is a district bill seeking an SLA exemption for a specific need. As a result of CSDA's advocacy efforts, concerning language referring to leases was amended out of the bill, allowing CSDA to move from an Oppose Unless Amended position to Neutral.
 - **SB 34 (Umberg)** - CSDA is leading a local government coalition with an Oppose Unless Amended position on this SLA procedures bill, seeking to remove concerning language referring to leases.
 - **SB 229 (Umberg)** - CSDA is leading a local government coalition with an Oppose Unless Amended position on this SLA procedures bill, seeking to remove concerning language referring to leases, make a clarifying change, and add procedural flexibility.
 - **SB 634 (Becker)** - This bill would have required special districts and other local agencies to respond to inquiries in connection with potential placement of temporary housing on their properties. CSDA took an Oppose Unless Amended position because the bill would have created a significant burden on special districts and was inconsistent with the SLA. The bill was held in the Senate Appropriations Committee and is now a 2-Year bill.

Labor and Employment Legislation:

- CSDA and its coalition partners have been engaged on a variety of labor and employment bills this year. The bills on which CSDA has been most engaged, include:
 - **AB 1484 (Zbur)** - This bill will extend union rights and procedures to certain temporary workers. Because this bill may have a significant impact on special districts with large temporary workforces, CSDA has an Oppose position, and is working with a local government coalition to oppose and amend the bill.
 - **AB 504 (Reyes)** - This bill will provide protections for employees to engage in sympathy striking and remove sympathy striking from bargaining. CSDA has an Oppose position, and is working with a local government coalition to oppose and amend the bill.
 - **SB 399 (Wahab)** - This bill will prohibit employers from taking action against employees who decline to participate in employer-sponsored meetings or receive communications, the purpose of which is to share the employer's opinion about political or religious matters. CSDA is co-leading a local government coalition with an Oppose position on the bill because of its unique impacts on local government workplaces where routine activities may be regarded as political matters.

SB 252 (Gonzalez): Public retirement systems: fossil fuels: divestment:

- This bill will require CalPERS and CalSTRS to divest from fossil fuel companies. CSDA led a coalition with an Oppose position on the bill because investment decisions should be left to the CalPERS Board of Administration, and because of the detrimental impacts of divestment on employer contribution rates. The bill was held in the Assembly Public Employment and Retirement Committee and is now a 2-Year bill.

Alternative Contracting Legislation:

- CSDA has been very active this year in advocating for an expansion of alternative contracting and project delivery methods, such as Design-Build (DB) and Progressive Design-Build (PDB), to help special districts expedite capital projects, cut red tape and save ratepayer dollars. This legislation includes:
 - **SB 706 (Caballero)** - this bill expands existing authority for local water agencies to use the PDB method of project delivery for specified water projects to include any city, county or special district and any type of project, as specified, until January 1, 2030.
 - **AB 400 (Rubio, Blanca)** - This bill will extend the sunset date for local governments to use the DB method for public works projects. DB is when both design and construction of a project are procured from a single entity. This bill will enable local governments to continue to utilize the DB procurement process for qualifying projects through January 1, 2031.

Governor Newsom's Infrastructure Streamlining Budget Package:

- Governor Newsom's infrastructure package, which was recently signed into law, will accelerate critical projects and help California achieve its climate and clean energy goals. The package was originally introduced as 10 budget trailer bill proposals in an effort to help reform the infrastructure processes in California. Of the 10 proposals, 5 advanced as part of the budget negotiations. CSDA took an overall Support position on

the Governor's infrastructure package with a special focus on 3 streamlining proposals pertaining to CEQA, judicial streamlining, and administrative records, as they aligned with CSDA's long term strategic goals to help special districts cut red tape and deliver on critical infrastructure needs. Those 3 proposals were part of the package that was signed into law. You can read about each of the enacted proposals here:

- [SB 145 \(Newman\) - Environmental Mitigation.](#)
- [SB 146 \(Gonzalez\) - Public resources: infrastructure: contracting.](#)
- [SB 147 \(Ashby\) - Fully protected species: California Endangered Species Act: authorized take.](#)
- [SB 149 \(Caballero\) - California Environmental Quality Act: administrative and judicial procedures: record of proceedings: judicial streamlining.](#)
- [SB 150 \(Durazo\) - Construction: workforce development: public contracts.](#)

California Air Resources Board Advance Clean Fleet Regulation:

- In April 2023, the [California Air Resources Board \(CARB\) approved](#) its Advanced Clean Fleet (ACF) regulation, which will require local government medium and heavy-duty fleets to transition to Zero Emission Vehicles (ZEVs). The regulation calls for a transition to 50% ZEVs by 2024 and 100% by 2027 or the "milestone" pathway which requires compliance by 2035. CSDA advocated directly with CARB members and staff, provided written comments, and testified in opposition to the regulation during the public hearing, citing timeline, cost, infrastructure and emergency response concerns. CSDA is now supporting legislation which may help special districts preparing for this monumental transition, including:
 - **AB 1594 (Garcia)** - This bill will require any state regulation that seeks to require the procurement of medium- and heavy-duty ZEVs, such as CARB's ACF regulation, to ensure those vehicles can support a public agency utility's duties, as specified, and to authorize the utility to make certain determinations and vehicle replacements, as specified.
 - **AB 585 (Rivas, Robert)** - This bill requests the California Council on Science and Technology (CCST) to perform a biennial literature review to assess the infrastructure projects necessary to achieve the quantities of renewable energy, and the distribution and transmission networks necessary, to achieve the state's energy, climate change, and air quality goals. It also requires the Office of Planning and Research to provide an annual progress report to the Joint Legislative Committee on Climate Change Policies regarding the status of permitting for infrastructure projects identified in the CCST report.
 - **SB 493 (Min)** - This bill requires CARB to develop a strategic plan for meeting deadlines for the transition of medium- and heavy-duty fleets to zero-emission and makes updates to two related statewide ZEV infrastructure assessments.

CSDA's advocacy team remains hard at work advancing the interests of special districts in the Legislature. Interim Recess, beginning upon adjournment on September 14, marks the deadline for each house to pass bills this year. Stay tuned to CSDA eNews and Advocacy News for future updates.

A report of bills tracked by CSDA with priority positions can be [viewed at this link.](#)

The report provides links to each of the tracked measures, together with CSDA Summaries, copies of letters submitted to the Legislature by CSDA, and other pertinent information concerning bill status. The report lists CSDA's position on each bill.

The reports lists the lobbyist assigned to each bill. For additional information on a particular bill, please contact the assigned lobbyist: Senior Legislative Representative Aaron Avery at aarona@csda.net; Legislative Representative Marcus Detwiler at marcusd@csda.net; and, Legislative Representative Heidi Hannaman at heidih@csda.net. General questions can be directed to Aaron Avery.