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**SENATE COMMITTEE ON HOUSING**  
**Senator Scott Wiener, Chair**  
**2021 - 2022 Regular**

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**Bill No:** SB 1489 **Hearing Date:** 4/27/2022  
**Author:** Committee on Governance and Finance  
**Version:** 4/18/2022  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Alison Hughes

**SUBJECT:** Local Government Omnibus Act of 2022

**DIGEST:** This bill makes several noncontroversial changes to local government and housing law.

**ANALYSIS:**

According to the Legislative Analyst's Office, the cost of producing a bill in 2001-2002 was \$17,890. By combining multiple matters into one bill, the Legislature can make minor changes to law in the most cost-effective manner.

The proposals in the Senate Governance and Finance Committee omnibus bill must be non-controversial and non-policy changes to various committee-related statutes. The proponent of an item submits proposed language and provides background materials to the Committee for the item to be described to legislative staff and stakeholders. Committee staff provides a summary of the items and the proposed statutory changes to all majority and minority consultants in both the Senate and Assembly, as well as all known or presumed interested parties. If an item encounters any opposition and the proponent cannot work out a solution with the opposition, the item is omitted from, or amended out of, the bill. Proposals in the bill must reflect a consensus and be without opposition from legislative members, agencies, and other stakeholders.

This bill makes non-controversial and non-policy changes to sections of law relating to local government and housing. Specifically, this bill includes the following provisions, with the sections of the bill related to each proposal in brackets:

- 1) *County recorder survey maps.* County recorders accept and officially record legal documents, notices, or papers, including survey maps for various purposes. State law requires that a record of survey filed with a county recorder must be securely fastened into a suitable book provided for that purpose. The

County Recorders Association of California notes that this requirement does not conform to modern best practices for storing recorded maps. This bill removes the requirement for recorded maps to be stored in physical books and allows a county recorder to store recorded maps in any manner that assures the maps will be kept safe, reproducible, and together. [See Sections 2, 5, 6, 15, 16, 17, 18, 20, 21, and 22 of the bill.]

- 2) *Mono 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 16 counties are authorized under law to appoint a public administrator. In addition, boards in 12 counties can have a joint public guardian and public administrator. Finally, 10 counties may separate the public guardian and district attorney offices. Mono County notes that the elected office of public administrator has been consolidated by ordinance with the elected office of district attorney since before 1947, and thus those duties could not be, and were not, transferred away from the district attorney, despite the role and duties of the public administrator being civil in nature. This bill allows Mono County to consolidate the public administrator and the public guardian as an appointed official and to separate the district attorney and public administrator. [See Sections 3 and 23.]
- 3) *Reading of ordinances.* Current law establishes certain procedural requirements for city ordinances to become law. Most ordinances must be introduced for five days before being passed and must be passed at a regular meeting or an adjourned regular meeting; urgency ordinances don't have to abide by these rules. All ordinances must be read in full either at the time of introduction or passage, unless the City Council waives further reading after the title is read. Regardless, the titles of city ordinances must always be read. The City of Chino Hills notes that this requirement to read the title of an ordinance is obsolete and inefficient at a time when the title of the ordinance is listed in the agenda, in full compliance with the state's open meetings laws, and the full text of the ordinance is typically made available online or in print prior to the introduction or passage of the ordinance. The City also notes that the 2020 Local Government Omnibus Bill (SB 1473, Committee on Governance and Finance) repealed a similar requirement for county ordinance titles to be read, so long as the title was included on the published agenda and a copy of the full ordinance is made available to the public online and in print at the meeting before introduction or passage. This bill extends identical authority to city councils to waive reading of titles under the same conditions. [See Section 4.]

- 4) *Forward settlement of investments.* County treasurers must abide by the statutory requirements to invest excess funds in this order of priority: (1) safety, (2) liquidity, and (3) yield. In order to limit risk, the Government Code places limitations on the term or remaining maturity of authorized investments. However, counties do not take possession of purchased investments until settlement date. When local agencies purchase securities, the date they make the purchase and the date the purchase is settled (and goes onto the agency's books) aren't always the same. Additionally, the Government Code does not specify how the term or remaining maturity is calculated. The California Association of County Treasurers and Tax Collectors notes that in some cases, the procedures around finalizing these investments can take up to 30 or 45 days to "settle" after the initial trade or investment date. For new five-year securities, the settlement date can take up to two months, extending the term of the investment beyond five years, which the Government Code doesn't allow without Board of Supervisors approval. Due to the industry standardized settlement procedures involved in investing, counties are precluded from investing in certain investments with codified maximum term limits because of the extra days it takes for these transactions to settle. This bill adjusts the terminology in the statute to reflect the true "start" of the investment term by allowing for forward settlement. In addition, the bill adds a limitation on forward settlement of 45 days. [See Sections 7 and 8.]
- 5) *Submission of quarterly treasury reports.* State law provides that treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the city council or board of supervisors. If remitted, it must be submitted within 30 days following the end of a quarter. The California Association of County Treasurers and Tax Collectors notes that some treasurer-tax collectors continue to have challenges meeting the 30 day deadline and that accounting and investment systems can take up to 10 business days to post quarter-end entries and the board is sometimes dark at the end of the month. The association further notes that given the 2-week lead time required to get a report on the board calendar, staff must often request exemptions from county procedures to meet code mandates. This bill increases the time allowed to file a quarterly report by 15 days, from 30 to 45, following the end of the quarter. [See Section 9.]
- 6) *IBank reporting requirements.* The California Infrastructure and Economic Development Bank (IBank) was created in 1994 and operates pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act (Government Code Sections 63000 et seq). IBank is located within the Governor's Office of Business and Economic Development (GO-Biz) and is

governed by a five-member Board of Directors. IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public and private agencies, provide credit enhancements, acquire or lease facilities, and leverage state and federal funds. Currently, state law requires IBank to deliver annual reports for its Climate Catalyst Program, the IBank itself, and its Small Business Finance Center on October 1, November 1, and January 1, respectively. The IBank notes that each reporting date was added as part of successive legislative efforts related to each distinct program, and that the synchronization of the reporting dates (or lack thereof) was never considered. The IBank further notes that production of three separate reports is administratively inefficient and burdensome, and may be confusing to the other agencies and the public who are seeking information about IBank's activities. This bill modifies the due dates of these three reports such that all are due on January 1 annually and allows the IBank to consolidate those reports into a single report. [See Sections 10, 11, and 12.]

- 7) *SB 478 (Wiener, 2021) clean-up.* Current law prohibits local agencies from denying a housing development project located on an existing legal parcel solely on the basis that the lot area of the proposed lot does not meet the local agency's requirements for minimum lot size, so long as the project is between 3-10 units and meets other specified requirements (SB 478, Wiener, 2021). Senate Governance and Finance Committee staff note the term "proposed lot" is unclear because projects using this provision of SB 478 must be located on an existing, legally-created parcel. This bill clarifies that SB 478's protection against denial based on minimum lot sizes only applies to projects proposed to be developed on existing parcels. [See Section 13.]
- 8) *Housing Crisis Act of 2019 clean-up.* Current law, known as the Housing Crisis Act of 2019 allows, but does not require, housing project developers to submit a preliminary application in order to lock in the ordinances and other rules that apply to the project at the time the preliminary application is deemed complete in certain affected cities and counties (SB 330, Skinner, 2019). Originally, the Housing Crisis Act sunset on January 1, 2025. However, SB 8 (Skinner, 2021) extended the sunset date to January 1, 2030, such that housing project developers that submit complete preliminary applications prior to that date may continue to benefit from the bill's provisions until January 1, 2034. Senator Skinner's staff notes that, in doing so, SB 8 inadvertently limited the application of tenant protections in the Housing Crisis Act to *only* those projects where a housing developer chose to submit a preliminary application. Accordingly, a project proponent could avoid the tenant protections in the law by choosing not to apply for a preliminary application. This bill clarifies that

the tenant protections in the Housing Crisis Act apply to all housing projects in affected cities and counties regardless of whether a preliminary application is submitted. [See Section 14.]

- 9) *Securities for design professionals.* Current law allows contractors on public works projects to substitute other securities (e.g. a retention bond, letter of credit, etc.) when the underlying contract includes a retention provision. There is no one definition of “contractor” found in the Public Contract Code; unless otherwise specified, its use generally does not include consultants who are not contractors, although some provisions of the Public Contract Code do include consultants. The American Council of Engineering Companies, California, notes that recently, some agencies have disallowed design professionals from substituting alternative securities in lieu of withheld retention payments. This is because those agencies now read the term “contractor” to exclude consultants. This bill includes consultants in the list of those who may substitute a security as an alternative to retention. [See Section 19.]

**COMMENTS:**

- 1) *Purpose of the bill.* The purpose of omnibus bills is to include technical and non-controversial changes to various committee-related statutes into one bill. This allows the legislature to make multiple, minor changes to statutes in one bill in a cost-effective manner. If there is no consensus on a particular item, it cannot be included. There is no known opposition to any item in this bill.
- 2) *Double referral.* This bill was heard in the Senate Governance and Finance Committee on April 20, 2022, and passed on a vote of 5-0.

**RELATED LEGISLATION:**

**SB 1252 (Committee on Housing, 2022)** — makes non-controversial changes to sections of law relating to housing. *This bill is also being heard at this same committee hearing.*

**FISCAL EFFECT:** Appropriation: No    Fiscal Com.: Yes    Local: Yes

**POSITIONS:** (Communicated to the committee before noon on Thursday, April 21, 2022.)

**SUPPORT:**

American Council of Engineering Companies of California  
California Association of County Treasurers & Tax Collectors  
City of Chino Hills

**OPPOSITION:**

None received.

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