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The Honorable Lorena Gonzalez Chair, Assembly Appropriations Committee State Capitol, Room 2114 Sacramento CA, 95814

RE: SB 712 (Hueso) - Local government: California Tribes: Federal Fee-to-Trust Applications As amended May 4, 2021 – Oppose Unless Amended Referred to the Assembly Appropriations Committee

Dear Assembly Member Gonzalez:

The California State Association of Counties (CSAC) respectfully opposes SB 712 unless amended. While we do not object to the core premise of the bill, which we believe will encourage intergovernmental collaboration between the state, local governments, and tribes to facilitate the restoration of tribal lands; we are concerned by the provision that would constrain how counties may respond to an individual fee-to-trust application. Moreover, the new process created by SB 712 whereby counties and other local governments that object to a fee-to-trust application must request information from tribes petitioning to have land taken into trust and include that information in their comments creates an unfunded mandate, which would be subject to state reimbursement.

Counties recognize the importance of the federal fee-to-trust process in facilitating tribal selfgovernance through the acquisition of trust lands. We support the provisions of the bill that encourage both the state and its local agencies to work collaboratively with tribes to facilitate acquisition of non-gaming trust lands. We also do not object to adding a requirement in state law that local agencies must consider taking a position on fee-to-trust application on a caseby-case basis rather than adopting a policy of uniform opposition to all fee-to-trust applications, although we would suggest language that more clearly defines the type of policy that a local government is precluded from adopting pursuant to the bill.

The federal regulations from the Bureau of Indian Affairs that govern the fee-to-trust application process offer state and local governments 30 days to provide written comments on a fee-to-trust application's potential impacts on regulatory jurisdiction, real property taxes and special assessments. These issues can be significant depending on the scope of the individual proposed acquisition and whether significant changes in land use are proposed as part of the application. Further, the fee-to-trust regulations require the Secretary of the Interior to consider the need for the land to be acquired in trust status, as well as the anticipated economic benefits if an acquisition is proposed for economic development purposes. SB 712 would require a local agency that opposes a fee-to-trust to also incorporate within its comments specified economic benefit information received from the tribe, whether or not this information is included in the subject application. While the aforementioned regulations already require the federal government to consider benefits of the acquisition, including applicable economic benefits, we object to amending state law to mandate that local agencies include specific economic benefit information from the applicant tribe in their comments— especially information that is either beyond the scope of the application or not included in the application materials. In consideration of the already brief comment period set out under in federal regulations, a better approach to this issue would be to require counties to address in their comments the economic benefits outlined in the fee to trust application. This approach would also reduce reimbursable mandate costs by removing the new 10-day request and response process included in the current version of SB 712.

We have provided amendments to the author that would address the above-stated concerns as well as reduce reimbursable mandate costs. If you need additional information about our position, please contact me at <u>clee@counties.org</u>.

Sincerely,

Christopher Lee Legislative Representative

cc: The Honorable Ben Hueso, California State Senate Honorable Members, Assembly Appropriations Committee Jennifer Swenson, Principal Consultant, Assembly Appropriations Committee William Weber, Consultant, Assembly Republican Caucus