

Date of Hearing: April 19, 2023

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

AB 1753 (Committee on Local Government) – As Introduced March 2, 2023

SUBJECT: Local government: reorganization.

SUMMARY: Makes technical, non-controversial changes to the local agency formation commission (LAFCO) statutes which govern local government organization and reorganization.

EXISTING LAW: establishes the procedures for the organization and reorganization of cities, counties, and special districts under the Cortese-Knox-Hertzberg (CKH) Local Reorganization Act of 2000 (Act). [Government Code (GC) § 56000 et. Seq.]

FISCAL EFFECT: None.

COMMENTS:

- 1) **LAFCOs.** LAFCOs are responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structures, and preparing a sphere of influence for each city and special district within each county. The courts refer to LAFCOs as the Legislature's "watchdog" over local boundary changes. The Act establishes procedures for local government changes of organization, including city incorporations, disincorporations, city and special district consolidations, and annexations to a city or special district. LAFCOs regulate boundary changes through the approval or denial of proposals by other public agencies or individuals for these procedures.
- 2) **Background and Prior Legislation.** As statutes go into effect, local officials and others often discover problems or inconsistencies in the language of the law and approach the Legislature to correct them. These minor problems do not warrant separate bills, so this Committee has found that it is expeditious and relatively inexpensive to respond to multiple minor, non-controversial requests on related issues by combining them into an annual "omnibus bill." Since the major rewrite of the Act governing local agency organization and reorganization [AB 2838 (Hertzberg), Chapter 761, Statutes of 2000], the Committee has focused its omnibus bill efforts on LAFCO-related issues.

Prior bills authored by the Committee include: AB 2795, Chapter 47, Statutes of 2010; AB 1430, Chapter 300, Statutes of 2011; AB 2698, Chapter 62, Statutes of 2012; AB 1427, Chapter 87, Statutes of 2013; AB 2762, Chapter 112, Statutes of 2014; AB 1532, Chapter 114, Statutes of 2015; AB 2910, Chapter 165, Statutes of 2016; AB 1725, Chapter 353, Statutes of 2017; AB 3254, Chapter 86, Statutes of 2018; AB 1822, Chapter 20, Statutes of 2019; AB 1581, Chapter 31, Statutes of 2021; and AB 2957, Chapter 37, Statutes of 2022.

This bill reflects the concerns of LAFCOs who have brought proposals and issues to the Committee. All proposals are vetted by a large number of stakeholders. Any proposal that provokes any controversy or opposition is rejected for inclusion.

- 3) **Bill Summary.** This bill is sponsored by the California Association of LAFCOs (CALAFCO) and makes several non-controversial changes to the Act, including the following:
- a) **Missing Cross-References.** Sections 99(b)(6) and 99(d) of the Revenue and Taxation Code (R&T Code) pertain to property tax exchange agreements. 99(b)(6) specifically provides that the LAFCO executive officer shall not issue a certificate of filing unless or until a property tax sharing agreement has been adopted. However, LAFCO law, particularly the section pertaining to when the executive officer is to issue a certificate of filing (GC § 56658), makes no reference to the R&T Code. Because this provision is not located in LAFCO law, some executive officers have been unaware of it and have issued certificates of filing prematurely and in violation of the R&T Code. Adding this provision to GC § 56658 will help ensure that LAFCO executive officers are aware of this R&T Code requirements and implement the law accordingly.
 - b) **Mail vs. Transmit.** Existing law requires, in a proceeding for a change of organization, that an executive officer mail a copy of a resolution adopted by the LAFCO to the proponents (when initiated by petition) and each local agency affected by a proposal. Many executive officers, and many public agency representatives who receive these resolutions, would prefer to use alternative delivery options (email or hand-delivery). The proposal would amend Government Code § 56882 to replace the word “mail” with the word “transmit,” which would allow for any form of delivery. The proposal also requires the confirmation of the receipt of a copy of the resolution if transmitted using email or electronic means.
- 4) **Arguments in Support.** According to CALAFCO, “This annual bill includes technical changes to the Act which governs the work of Local Agency Formation Commissions. These changes are necessary as Commissions implement the Act and small inconsistencies are found or clarifications are needed to make the law as unambiguous as possible. AB 1753 currently makes minor technical corrections to language used in the Act...This legislation helps insure the Cortese-Knox-Hertzberg Act remains a vital and practical law that is consistently applied around the state.”
- 5) **Arguments in Opposition.** None on file.

REGISTERED SUPPORT / OPPOSITION:

Support

CALAFCO [SPONSOR]
Butte LAFCO
Contra Costa LAFCO
Imperial LAFCO
Los Angeles LAFO
Mendocino LAFCO
Mono LAFCO
Napa LAFCO
Orange LAFCO
Placer LAFCO
Santa Barbara LAFCO

Santa Cruz LAFCO
San Mateo LAFCO
Sonoma LAFCO

Opposition

None on file

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