
CONSENT

Bill No: AB 2957
Author: Committee on Local Government
Amended: 4/18/22 in Assembly
Vote: 21

SENATE GOVERNANCE & FIN. COMMITTEE: 5-0, 6/1/22
AYES: Caballero, Nielsen, Durazo, Hertzberg, Wiener

ASSEMBLY FLOOR: 65-0, 5/12/22 (Consent) - See last page for vote

SUBJECT: Local government: reorganization

SOURCE: California Association of Local Agency Formation Commissions

DIGEST: This bill makes several non-controversial changes to the local agency formation commission (LAFCO) statutes, which govern local government organization and reorganization.

ANALYSIS:

This bill makes the following changes to state laws affecting LAFCOs:

- 1) *Successor agency.* Existing law defines the terms used in the Act in the “Definitions” section of the Act. Current law also uses the term “successor agency” throughout the Act, principally related to the proceedings for the dissolution a special district. However, the term is not defined in the “Definitions” section of the Act. AB 2957 adds a definition of the term “successor agency” to the “Definitions” section of the Act. [See Section 1 of the bill.]
- 2) *Take effect.* Existing law specifies that for the purpose of any action to determine or contest the validity of any change of organization or reorganization, the change of organization or reorganization shall be deemed to “be completed and in existence” upon the date of execution of the certificate of completion by the LAFCO. This language is unclear. AB 2957 replaces the

words “be completed and in existence” with the words “take effect.” [See SEC. 2 of the bill.]

- 3) *Cross-reference.* Existing law allows a city or special district to provide new or extended services outside of its jurisdiction with LAFCO approval under certain circumstances. However, the requirement to seek LAFCO approval does not apply to various services provided outside of a special district or city’s jurisdiction, including when a local publicly owned electric utility, as defined in Public Utilities Code Section 9604, provides electric services that do not involve new distribution facilities outside of the utility’s boundary. However, this definition was moved to Public Utilities Code Section 224.3 by AB 3048 (Assembly Utilities and Commerce Committee, Chapter 558, Statutes of 2008), but LAFCO law was never updated. AB 2957 corrects the cross-reference to the current location of the definition. [See SEC. 3 of the bill.]
- 4) *Application versus proposal.* An “application” and a “proposal” are two distinctly different things in the Act. Section 56017.2(a) defines “Application” for a change of organization/reorganization to mean “A resolution of application or petition initiating a change of organization or reorganization with supporting documentation as required by the commission or executive officer.” Section 56069 defines a “Proposal” to mean “a desired change of organization or reorganization initiated by a petition or by resolution of application of a legislative body or school district for which a certificate of filing has been issued.” An “application” becomes a “proposal” only once a certificate of filing has been issued. However, several provisions of LAFCO law mistakenly refer to a proposal instead of an application. AB 2957 replaces “proposal” in these sections with the correct term, “application.” [See SEC. 4, 5, 6, and 7 of the bill.]
- 5) *Qualified annexations.* Existing law requires a property tax-sharing agreement among the county and an area to be annexed into a city and specifies procedures for negotiating this agreement. Until January 1, 2021, the law also authorized an alternative procedure for negotiating this agreement that includes review by a consultant, mediation, and arbitration. However, this provision recently sunset. AB 2957 reauthorizes this alternative procedure until January 1, 2028. [See SEC. 8 of the bill.]

Comments

Purpose of this bill. Even the best written statutes contain minor flaws. When statutory problems appear in the state law affecting LAFCOs, the Assembly Local Government Committee avoids legislative costs by combining several changes to

state laws into a single, consensus bill. AB 2957 compiles, into a single bill, noncontroversial statutory changes to five parts of LAFCO law. Moving a bill through the legislative process costs the state around \$18,000. By avoiding four other bills, the Committee's measure avoids about \$80,000 in legislative costs. By carefully reviewing each item with the affected parties, the Committee also avoids controversy. The changes made by AB 2957 don't raise statewide policy questions. AB 2957 makes a complex statute easier for property owners, residents, and local officials to use.

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

SUPPORT: (Verified 6/2/22)

California Association of Local Agency Formation Commissions (source)

Butte Local Agency Formation Commission

Contra Costa Local Agency Formation Commission

El Dorado Local Agency Formation Commission

Imperial Local Agency Formation Commission

Los Angeles Local Agency Formation Commission

Marin Local Agency Formation Commission

Mendocino Local Agency Formation Commission

Merced Local Agency Formation Commission

Monterey Local Agency Formation Commission

Napa Local Agency Formation Commission

Orange County Local Agency Formation Commission

Riverside Local Agency Formation Commission

San Diego Local Agency Formation Commission

San Mateo Local Agency Formation Commission

Santa Barbara Local Agency Formation Commission

Santa Cruz Local Agency Formation Commission

Sonoma Local Agency Formation Commission

Stanislaus Local Agency Formation Commission

Yolo Local Agency Formation Commission

OPPOSITION: (Verified 6/2/22)

None received

ASSEMBLY FLOOR: 65-0, 5/12/22

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Mia Bonta, Bryan, Calderon, Carrillo, Cervantes, Chen, Choi, Cooley, Cooper, Megan Dahle, Daly, Flora, Mike Fong, Fong, Friedman, Gabriel,

Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Haney, Holden, Irwin, Jones-Sawyer, Kalra, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Ramos, Reyes, Luz Rivas, Robert Rivas, Salas, Santiago, Seyarto, Smith, Stone, Ting, Villapudua, Voepel, Waldron, Akilah Weber, Wicks, Wilson, Wood, Rendon

NO VOTE RECORDED: Boerner Horvath, Cunningham, Davies, Gray, Grayson, Kiley, Lackey, Lee, Quirk-Silva, Rodriguez, Blanca Rubio, Valladares, Ward

Prepared by: Anton Favorini-Csorba / GOV. & F. / (916) 651-4119
6/3/22 10:45:46

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