



April 11, 2018

The Honorable Anna Caballero  
Member, California State Assembly  
State Capitol, Room 5158  
Sacramento, California 95814

**Re: AB 2258 (Caballero). Local agency formation commissions: grant program  
SUPPORT – As Amended April 9, 2018  
Set for hearing in the Assembly Local Government Committee on April 18, 2018**

The Urban Counties of California (UCC), and the California State Association of Counties (CSAC) are pleased to inform you of our support for your bill, AB 2258, which would create a grant program for local agency formation commissions (LAFCo).

Specifically, this bill would require the Strategic Growth Council to establish and administer a LAFCo grant program for the payment of costs associated with initiating and completing the dissolution of inactive districts, the payment of costs associated with a study of the services provided within a county by a public agency and other purposes as identified by the LAFCo.

Since LAFCos were established in 1963, the regulatory role and responsibilities of LAFCos have substantially increased without additional funding. Operating in all 58 California counties, LAFCos are responsible for meeting important statutory directives to maintain orderly boundaries and seek greater efficiencies in delivering local services, and yet these directives oftentimes cannot be met under current funding mechanisms. As a result, much needed LAFCo activities are sometimes delayed or rejected.

In August 2017, the Little Hoover Commission published a report on special districts and their oversight by LAFCos, which contained several recommendations directly related to LAFCo. One recommendation was for the Legislature to provide one-time grant funding to pay for specified LAFCo activities, particularly to incentivize LAFCos or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes.

This bill would provide an additional tool for LAFCos by establishing this one-time grant funding, which will allow them to conduct detailed studies and implement greater efficiencies in delivering local services based on local circumstances and conditions. In addition, LAFCos will be able to actively address known service and governance concerns that could potentially

save California taxpayers additional money through the reorganization of local government agencies and improved efficiencies in service delivery.

If you have any questions regarding our position please do not hesitate to contact Dorothy Johnson (CSAC) at (916) 650-8133 or Jolena Voorhis (UCC) at 916) 327-7531.

Sincerely,



Dorothy Johnson  
CSAC Legislative Representative



Jolena Voorhis  
UCC Executive Director

cc: Members and Consultants, Assembly Local Government Committee  
Pamela Miller, Executive Director, CALAFCO