May 13, 2019

The Honorable Robert Rivas California State Assembly State Capitol, Room 5158 Sacramento, CA 95814

## RE: AB 1253 (Rivas) Local agency formation commissions: grant program. - SUPPORT

Dear Assemblymember Rivas:

The County of Monterey is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support of Assembly Bill 1253. Sponsored by CALAFCO, the bill establishes a five-year pilot grant program to provide grants to LAFCos to address known service and governance concerns in disadvantaged communities. This program provides grants to LAFCos for conducting special in-depth studies and analyses of local government agencies and services for the purposes of creating improved efficiencies in the delivery of local government services and completing the dissolution of inactive special districts. The grant program would be administered by the Strategic Growth Council and sunset on December 31, 2025.

The Legislature established LAFCos in 1963 to encourage the orderly formation of local government agencies. Since that time, the regulatory role and responsibilities of LAFCos has 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 often times cannot be met under current funding mechanisms. As a result, 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.

By establishing this one-time grant funding, AB 1253 provides an additional tool for LAFCos to address known service and governance concerns in disadvantaged communities by conducting detailed studies and potentially implementing greater efficiencies in delivering local services based on local circumstances and conditions.

For these reasons, we are pleased to support AB 1253. Should you have questions, please feel free to contact Monterey County's Public Policy advisors, Jennifer Capitolo or Ashley Walker of Nossaman LLP at 916-442-8888.

Sincerely,

John M. Phillips Chair, Board of Supervisors

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cc: Senator Bill Monning Senator Anna Caballero Assemblymember Mark Stone Assemblymember Robert Rivas California State Association of Counties