Date

Honorable Robert Hertzberg California State Senate 1021 O Street, Room 8610 Sacramento, CA 95814

Subject: Support of SB 938: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: **Protest Proceedings - Procedural Consolidation.**

Dear Senator Hertzberg:

The San Mateo Local Agency Formation Commission (LAFCo) is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support of your bill, SB 938, which makes changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

In response to recommendation made in a 2017 Little Hoover Commission report on special district governance, CALAFCO formed a working group, including several representatives of the California Special Districts Association, to examine the issue of LAFCo initiate dissolutions. Currently, the Act established a 10% protest threshold for LAFCo-initiated actions, lower than other actions, which can serve as a deterrent for LAFCo even if meaningful efficiencies in the provision of public services could be achieved or if a district is failing to meet its statutory requirements.

SB 938 represents a collaborative three-year effort led by CALAFCO to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which LAFCo may initiate dissolution of a district at the 25% protest threshold.

SB 938 proposes specific circumstances under which a dissolution may be initiated, and the subsequent process includes three noticed public hearings, a minimum 12-month remediation period, and a 60-day protest period. Additionally, the proposed process for LAFCo-initiated actions at the 25% protest threshold applies only to dissolutions, making the scope of use exceptionally narrow.

We thank you for your authorship of this critical legislation and for continuing your long support of the work of LAFCos. For all these reasons, we are pleased to support your bill SB 938.

Sincerely,

Rob Bartoli

Interim Executive Officer

Cc: Senator Scott Weiner, District 11 Senator Josh Becker, District 13 Assembly Member Phil Ting, District 19 Assembly Member Kevin Mullin, District 22 Assembly Member Marc Berman, District 24

Members, Senate Governance and Finance Committee

Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee

Ryan Eisberg, Consultant, Senate Republican Caucus

Rene LaRoche, Executive Director, CALAFCO

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