

Proposed Amendment to

GOVERNMENT CODE SECTION **56133 (e)**





SUMMARY

This bill would make explicit in statute that Local Agency Formation Commissions (LAFCOs) are authorized to oversee the approval process for agencies to provide new or extended services outside their boundaries. This includes – importantly – clarifying LAFCOs or their executive officers determine when allowable exemptions apply.

BACKGROUND

The Legislature created LAFCOs in 1963 to discourage urban sprawl, preserve open space and prime agricultural lands, encourage the orderly formation and development of local agencies, and to ensure the efficient delivery of government services. LAFCOs authority is currently codified under the Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000 (AB 2838, Hertzberg) (The Act) which delegates the Legislature's power to coordinate and oversee the boundaries of cities and special districts to LAFCOs. LAFCOs are governed by a board of locally elected officials, including city council members, county supervisors, representatives from special districts (in 31 of the 58 LAFCOs), and at least one member of the public appointed by the other members.

Coordinating and overseeing city and special district boundaries means LAFCOs in each of the 58 counties have direct oversight on the timing and location of development and the type of services that are and are not available to support the development.

LAFCOs are required under state law to oversee the approval process for cities and special districts intending to provide new or extended services outside their boundaries by contracts. These contracts are typically a result of when annexations are not feasible and/or desired given local conditions.

State law identifies certain contract scenarios as exempt from requiring LAFCOs approval, including contracts between two or more local agencies where the intended new or extended service is an equal alternative or substitute for service already provided. California Government Code Section 56133 outlines the requirement for LAFCO review and the exemptions are listed within subsection (e).

THE PROBLEM

Some local agencies have entered into contracts to provide new or extended services outside their boundaries. Unfortunately this practice creates numerous problems including:

- **1.** Unintentionally creating conflict between local agencies when encroaching into others' jurisdictions and competing for customers.
- 2. In some instances, failing to annex territory including island areas upon the extension of service, thereby creating unorderly boundaries.
- **3.** Conflicts with existing Government Code Section 56133(b) that states the extension may be authorized in anticipation of a later change of organization.
- 4. Undermining LAFCOs ability to coordinate the orderly delivery of municipal services in concert with community needs and in step with regional growth management objectives. These problems create unnecessary costs and liabilities that are otherwise completely avoidable.

SOLUTION

To make explicit in statute that LAFCOs – not local agencies – are authorized to oversee the approval process for agencies to provide new or extended services outside their boundaries, and in doing so closes a current loophole in state law. The addition of nine words to 56133(e) as a preface to its listing of exemptions is proposed to read "as determined by the commission or the executive officer."

Contacts

This legislative effort is co-sponsored by CALAFCO and San Diego LAFCO

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