



Solano Local Agency Formation Commission

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April 8, 2024

Honorable Juan Carrillo, Chair
Assembly Local Government Committee
1020 N St.
Rm. 157
Sacramento, CA 95814

**RE: SUPPORT of AB 3277, Local agency formation commission: districts: property tax
(An act to amend Section 56810 of the Government Code, relating to local government)**

Dear Senator Carillo,

The Solano Local Agency Formation Commission (LAFCO) is pleased to **Support Assembly Bill 3277**, sponsored by the California Association of Local Agency Formation Commissions (CALAFCO), which clarifies the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act).

Under existing statute, a commission must perform a financial analysis of ad valorem property taxes when a proposal is received that includes the formation of a district. The only purpose of the analysis is to determine how best to apportion the property taxes between the agencies. However, occasionally, an application is received in which the district waives any portion of the ad valorem taxes. In those situations, no analysis is needed for the process, yet it remains required by statute.

This bill will add language that clarifies that the performance of the financial analysis in that situation only needs to be performed in those instances where a portion of the ad valorem property taxes is being sought.

By making this minor change, **AB 3277** will apply this time-consuming process only to those applications that require it.

For the reasons noted above, Solano LAFCO **Supports AB 3277**.

Please do not hesitate to reach out with questions or concerns about our position.

Yours sincerely,

Ron Kott, Chair
Solano LAFCO

cc: Members and Consultants, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
René LaRoche, Executive Director, CALAFCO

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