

June 10, 2024

The Honorable Lori Wilson California State Assembly 1021 O Street, Room 8110 Sacramento, CA 95814

RE: Assembly Bill 2257 – Local government: property-related water and sewer fees and assessments: remedies – SUPPORT (As Amended April 23, 2024)

Dear Assemblymember Wilson,

On behalf of the City of Carlsbad, I am writing to express our support for Assembly Bill (AB) 2257, which would authorize public agencies to adopt procedures for the submittal and consideration of public comments regarding proposed water or sewer rates or assessments.

Reliable long-term financial planning is paramount in providing essential government services, such as water and sewer. While public water and sewer providers require financial stability to meet these needs, existing law allows ratepayers who do not lodge an objection or otherwise participate during the public agency's ratemaking process to pursue costly lawsuits that seek refund of revenues collected years after the challenged rates have been adopted. AB 2257 would create an exhaustion of administrative remedies procedure whereby a ratepayer must submit a timely written objection to the proposed new or amended property-related fee or charge, or special assessment during the ratemaking process as a prerequisite to pursuing litigation after the new or amended rate or special assessment is approved.

Public agencies that adopt AB 2257 procedures would be required to consider and provide written responses to each objection before the governing body approves the proposed new or amended property-related fee or charge, or special assessment. This would give the governing board of a public agency the opportunity to clarify why the fee or assessment is necessary and then adjust the proposed fee or assessment or conduct further review before having to defend adoption of it in litigation. Furthermore, this bill would allow judicial review of a public agency's adoption of a rate or assessment that would be generally limited to the record of proceedings that was before the agency when the rate or assessment was adopted.

The City of Carlsbad supports measures that protect the fiscal independence of cities, which relieve taxpayers of the burden of paying for services which could be charged directly to the service user, and which simplify the process of establishing such fees.

For these reasons, we are pleased to support AB 2257 and thank you for your leadership on this most important issue. Should you have any questions, please contact our legislative advocate Sharon Gonsalves with Renne Public Policy Group at 916-974-9270.

Sincerely,

Keith Blackburn, Mayor

CC: The Honorable Catherine Blakespear, Senate District 38

Brady Borcherding, Deputy Legislative Secretary, Governor Gavin Newsom's Office

of Legislative Affairs