

SYN. NO. _____

AGN. NO.

MOTION BY SUPERVISOR DON KNABE

October 15, 2002

In the waning hours of the 2002 legislative session in Sacramento, Senate Bill 905 was amended to forbid Californians, who work for local government agencies, from directing any of their own paychecks to protect local government services, local funding sources and jobs from reduction by the State Legislature. Over the past quarter of a century, state laws and state budget actions have stripped local government of its fiscal independence which has led to drastic reduction in local services. Beginning in the early 1990s, the state has confiscated almost \$5 billion annually in property tax revenues from cities, counties and special districts annually. The politicians in Sacramento have used this money, rather than state funds, to meet constitutional obligations to fund schools. Even when Sacramento enjoyed record budget surpluses, the ERAF shift of local revenues continued and allowed the legislature and administration to spend \$5 billion in state revenues elsewhere. As a result of this continued raid on local revenues, the League of California Cities and the County Supervisors Association of California (CSAC) has met to discuss amending the state

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constitution to protect local funding sources by means of a ballot measure. To place a ballot measure before the California electorate by the initiative process normally costs \$1 million. Because local government cannot use taxpayers' dollars to fund advocacy activities, the one mechanism available was to create a private fund of contributions given by local employees on a voluntary basis. Senate Bill 905 shuts the door on this process.

This legislation may be patently unconstitutional inasmuch as the US Supreme Court has ruled that governments may not deny access to a payroll deduction program solely to suppress the point of view of the speaker. Senate Bill 905 may also imperil a number of other voluntary payroll deductions for retirement and other purposes that are permitted by local agencies, as well as sabotaging the First Amendment free speech rights of local public employees.

I, THEREFORE, MOVE that the Board of Supervisors direct the Office of County Counsel to carefully review this legislation and prepare a recommendation to be returned to the Board of Supervisors within two weeks on possible legal action.

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