

WL 10/28

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0001
(916) 319-2044
FAX: (916) 319-2144

DISTRICT OFFICE
215 N. MARENGO AVE. #185
PASADENA, CA 91101
(626) 577-9944
FAX: (626) 577-2868

Assembly
California Legislature

JACK SCOTT
ASSEMBLYMEMBER, FORTY-FOURTH DISTRICT

CHAIR:
INSURANCE
SELECT COMMITTEE ON
GUN VIOLENCE

COMMITTEES:
BUDGET
BUDGET EDUCATION FINANCE
SUBCOMMITTEE #2
EDUCATION
HIGHER EDUCATION
TRANSPORTATION

October 15, 1999

The Honorable Bill Bogaard, Mayor
City of Pasadena
100 N. Garfield
Pasadena, CA 91109

Dear Bill:

I am writing to provide the City of Pasadena with an update on issues affecting local government that were addressed this past legislative session in Sacramento. I hope you will find this information useful.

You will be pleased to know that the Senate Local Government Committee has reported that the 1999-2000 state budget "was the best for local governments this decade." Most notably, the Legislature passed two budget trailer bills, which provide local governments with much needed fiscal relief. First, we passed AB 1661 (Torlakson), which allocates \$150 million in fiscal relief to local governments. Second, we passed AB 1662 (Leonard), which appropriates \$50 million to cities for booking fees and processing costs associated with criminal justices services.

As you know, since the passage of Proposition 13 and other revenue shifting decisions by the Legislature, most local governments have been strapped for cash and that has significantly hindered its ability to provide essential services to its citizens. Since coming to the Assembly in 1996, I have been a part of a movement in the legislature to help provide local governments with more resources.

As a member of the Assembly Budget Committee, restoring and providing additional funds to local government was critical in making this year's budget a fair and equitable budget package. This budget provides several stable relief components that will facilitate local budget planning. Moreover, this budget also provides several sources of discretionary funds and relief that frees up local government resources.

Major provisions of the budget bill are as follows:

- **Local Government Relief.** As stated earlier, the budget provides \$150 million of one-time relief to local government distributed as follows: \$75 million to cities and counties on a per capita basis, and \$75 million to cities, counties and special districts in proportion to Educational Revenue Augmentation Fund (ERAF) transfers.
- **Public Library Foundation Grants.** The budget provides an additional \$18 million over last year's appropriation to this fund for a total of \$56.8 million. This increase will allow local public libraries to purchase new, updated materials
- **Constitutional Amendment for Local Government Reform.** The budget proposes – contingent upon passage of a constitutional amendment – an ERAF cap and a buy out of schools'

11/1/99
2.A.

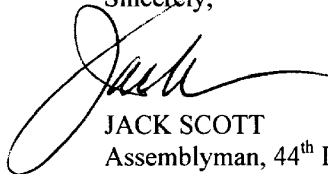
share of the property tax administration. The buyout of property tax administration will provide counties \$150 million per annum.

- **Infrastructure Bank Funding.** The budget provides an additional \$425 million to the Infrastructure Bank which will be available for financial assistance to local jurisdictions that will include, but not be limited to, leveraged revolving fund loans at below market rates. These local projects would address the state's infrastructure needs in order to facilitate economic development, such as repairing streets and county highways.
- **Citizens Option for Public Safety (COPS).** The budget appropriates \$100 million for the popular COPS program, which provides funding to local law enforcement agencies for frontline public safety activities. This year's budget assumes the funding formula and authorizations are consistent with prior years.
- **Local Detention Facilities.** The budget provides \$75 million in federal funds for counties to construct local detention facilities, including juvenile facilities.
- **Local Law Enforcement Grants.** The budget provides \$30 million in one-time funding for equipment purchases. The grants will be distributed to local law enforcement agencies on a competitive basis.
- **Booking Fees.** As mentioned earlier, the budget provides ongoing reimbursements to cities for payments made to counties for booking and processing fees. The initial appropriation is \$50 million starting in 1999-00 for reimbursement of payments to counties during 1997-1998. In 2000-01 the reimbursement level will be adjusted for actual claims received and a two percent annual increase.
- **Trial Court Relief.** Pursuant to Chapter 1017, Statutes of 1998, effective 1999-00, the budget provides an additional \$96 million in relief over last year's levels.
- **Tobacco Settlement.** Pursuant to the Tobacco Settlement local governments are scheduled to receive \$12.5 billion over the next 25 years. Annual payments will range from \$400 to \$500 million.
- **Mental Health Services Augmentation.** The budget includes \$10 million to provide grants to counties. This funding is intended to provide a variety of integrated services and program expansions for mentally ill adults who would otherwise be at risk of homelessness incarceration.

Because some of the provisions of this budget require cities to access state funds through grant applications, please do not hesitate to contact my office for help in steering your city through the state's grant process.

I hope you will find this information useful. If you have any questions, please contact me.

Sincerely,



JACK SCOTT
Assemblyman, 44th District

JAS/ddm