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April 22, 2010

The Honorable Christine Kehoe
Chair, Senate Appropriations Committee
State Capitol, Room 4203
Sacramento, CA 95814

Re: Assembly Bill (AB) 155 - Oppose

Dear Senator Kehoe and Members of the Committee:

The San Diego County Taxpayers Association (SDCTA) would like to reiterate our strong opposition to Assembly Bill (AB) 155, which seeks to restrict the ability of municipalities to enter into bankruptcy proceedings. The analysis conducted for the Senate Local Government Committee points to the impetus as well as the support behind AB 155 when it states that “labor unions and others want to require state oversight of local governments’ bankruptcy petitions.” AB 155 sets up an additional bureaucratic framework that reduces local governmental authority in deciding something they already do not enter into lightly.

For the reasons noted above, SDCTA implores you to ensure this piece of legislation does not succeed. In times of increasing costs—especially personnel costs—options should remain for local governments to make the decision that is best for them in the long run. Tasking the California Debt Investment Advisory Commission—comprised of extremely busy officials—with approving, disapproving, and recommending a course of action for local governments is intrusive of existing rights of local governments.

We are committed to working with members of the Senate Appropriations Committee as well as additional leaders in Sacramento to ensure that this legislation does not succeed. Attached to this letter you will find SDCTA’s analysis on AB 155. If you have any additional questions or concerns, I can be reached at 619-234-6423 or via email at lani@sdcta.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Lani Lutar", written in a cursive style.

Lani Lutar
President & CEO

LSL/jg

Enclosure (1)

cc: The Honorable Dave Cox (Vice-Chair)
The Honorable Elaine Alquist
The Honorable Ellen Corbett
The Honorable Jeff Dunham
The Honorable Mark Leno
The Honorable Curren Price
The Honorable Mimi Walters
The Honorable Lois Wolk
The Honorable Mark Wyland
The Honorable Leland Yee