



June 29, 2011

The Honorable Jerry Brown
Governor, State of California
State Capitol, 1st Floor
Sacramento, CA 96814

RE: Education Budget Trailer Bill Request—AB 114, Section 1 and 2

Dear Governor Brown:

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One of the few state laws that has enabled California school agencies to survive a decade of fiscal instability and massive cuts has been fiscal solvency protections contained in AB 1200. Now that the Legislature has passed a Budget that continues the trend of funding instability for public education, a provision in the Education Budget Trailer Bill, AB 114, adds insult to injury by gutting these critical fiscal oversight provisions, and we believe, will put hundreds of school districts at risk of insolvency in the future. Stripping the county superintendents of their oversight responsibilities in 2011-12 will almost certainly bring dozens, if not hundreds, of school districts to the state’s door for emergency loans in future years. The authority of the county superintendents to protect the state should not be taken away when it is needed most.

We are writing to ask that you reject the Legislature’s proposal to eliminate school agency fiscal accountability during this time of uncertainty. While this issue may not rise to the level of a “veto” of the entire bill, we believe it warrants the Chief Executive Officer of the State of California to request supplemental legislation that would restore this vital protection.

It is astonishing that this proposal was not vetted through the fiscal or policy committees of the Legislature. If it had been, you would learn that it takes away several of the budgeting tools school agencies have relied on for years to ensure they can manage state funding cuts, late state budgets, and increasing state deferrals. AB 1200 has protected school agencies during this very difficult time and now is definitely not the time to eliminate these important tools. Just the notion that school agencies will not be required to submit multi-year budget projections is a road to disaster, especially if the state turns around and cuts funding for schools under the “trigger provision” adopted as part of the State Budget.

We urge you to reinstate the oversight responsibilities of county superintendents as stated in current law.

Sincerely,

RON BENNETT
President and CEO

An Employee-Owned

Company

cc: Senate President pro Tem Darrell Steinberg
Assembly Speaker John Pérez
The Honorable Bob Dutton, Senate Minority Floor Leader
The Honorable Connie Conway, Assembly Minority Floor Leader
Nick Schweizer, Department of Finance
Sue Burr, Executive Director, State Board of Education