

News Release



Controller of the State of California - Kathleen Connell

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FOR IMMEDIATE RELEASE

CONNELL NAMES REVENUE SEEKING TASK FORCE FOR LOCAL GOVERNMENT

"SMART" Task Force to Collaborate on Rational Land Use Policies to Stimulate Local Revenues; Structural Changes to Improve Resource Delivery to Local Governments

SAN FRANCISCO, March 8, 1999 -- Citing an urgent need to simplify the complex fiscal relationship between state and local governments, State Controller Kathleen Connell today convened the first meeting of her "SMART" task force, the 22-member State Municipal Advisory Reform Team she formed to assist California's local governments identify reliable sources of revenue to help meet local demands.

"Many county and city governments are virtually at the mercy of the state, helplessly waiting for funds needed for vital local services," said Connell. "Since the passage of Prop. 13, local governments have been faced with a double burden -- responsibility for providing an increasing array of public services, while experiencing a steady reduction of state funding support."

Connell said her bipartisan task force -- comprised of business and academic leaders, state and local elected officials, representatives of employee unions and community leaders -- convened today to "lay all the cards on the table from various interests, so that an initial financing strategy can be developed to address the serious fiscal imbalance between state and local governments." Over the next five months, the task force will tackle an array of complex issues ranging from the way local government services are financed and delivered, to the development of rational land use policies -- ones that are not driven by sales tax production requirements.

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"We must identify an approach which is responsible to the fiscal crisis of local government," said Connell. "It's clear that the funding stream to local governments has declined to an inconsistent trickle. Cities and counties are desperate for a reliable, adequate source of income that will remain independent of state politics."

The task force will be divided into three subcommittees. L.A. County Supervisor Gloria Molina will chair the subcommittee on tax policy and revenues. Following are other members of the task force. Chairs for land use and accountability subcommittees will be chosen today.

Labor Leaders

Anelle Grajeda, Local 660
Bob Balgenorth, State Building and Construction Trades Council
George Popyack, AFSME

Business Leaders

Leonard (Len) Frank, Pardee Construction
Mark Gaughn, San Diego Gas & Electric Company
Pius Lee, CA Realty & Land Inc.
Jeff Veseley, Pillsbury, Madison, & Sutro
Tom Winfield, Brown, Winfield, & Canzoneri, Inc.
Travis Gibbs, O'Melveny & Myers

State Government Officials

Hon. George Runner, State Assembly
Hon. Richard Alarcón, State Senate

Local Government Officials

Hon. Doug Balmain, Mariposa Board of Supervisors
Hon. Judy Pennycook, Monterey Board of Supervisors
Hon. Julie Partansky, Mayor of Davis
Hon. Gloria Molina, Los Angeles Board of Supervisors
David French, Regional Council on Rural Counties
Hon. Michael Yaki, San Francisco Board of Supervisors

Academic Representatives

Ed Edelman, Rand Corporation
James Mayer, Little Hoover Commission
Steven Szalay, California State Association of Counties
Jack Kyser, Ph.D., Los Angeles County Economic Development Corp.
Mark Pisano, Southern California Association of Governments

"I am confident that the knowledge possessed by this extremely diverse and talented group of individuals will contribute to workable solutions. We hope to develop additional resource channels that will go directly to California's cities and counties -- helping them pay for police, waste management, libraries and other vital local services," Connell added.