

County backs state funding bill

By DENISE SIEBENTHAL

Sentinel Staff Writer

SANTA CRUZ — Legislation that would give the county back \$2.85 million of \$3.4 million in state funds taken away this fiscal year has received unanimous support from county supervisors. The bill — which must be passed and on

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the governor's desk for signature by Thursday, the end of the legislative session, would suspend the so-called "deflator" that caused local governments to face a loss of millions in state funds this year.

It also calls for legislators in January to start working out a long-term solution to financing local government. The Legislature will reconvene in January.

This long-term solution demand was added to the bill by Assemblyman Sam Farr, D-Carmel Valley. Farr had the amendment added when the bill came through the Assembly Local Government Committee.

The bill actually is a combination of two identical bills authored by Sen. Milton Marks, R-San Francisco, and by Sen. John Seymour, R-Anaheim. The bill probably will end up being carried by Assemblyman Dominic Cortese, D-San Jose, Farr said.

"Down with the deflator," Supervisor Robley Levy said as the board voted its unanimous support of the bill Tuesday.

The deflator mechanism was instituted by the state Legislature after the passage in 1978 of Proposition 13, the statewide property tax cut. It allows legislators to cut funds to local governments when the state budget is in trouble.

The deflator has never been enacted since 1978.

"Suspending the deflator is business as usual," Farr said. "This will be the third year in a row that we've done it. All we do every year is create greater and greater distrust between the Legislature and local governments."

That is why, Farr said, he authored the amendment forcing the Legislature to come up with some long-term solution.

"All it (the bill) is going to do right now is suspend the deflator, but my amend-

ment makes the Legislature committed to doing something when it returns in January," Farr stated.

Long-term solutions already on the table include:

- Allowing local governments to impose their own one-cent sales tax increases.

- Having the state government take over the courts now administered by the county governments.

- Shifting the responsibility for alcohol and drug services from the state to the counties so these services can be operated more cost effectively.

- Having the state take over the administration of the Aid to Families with Dependent Children from the counties.

All the supervisors except Gary Patton (who was on vacation) went to Sacramento in August with approximately 300 county residents to rally the Legislature and the governor to come up with a longterm solution to funding local governments.