

February 19, 2009

1100 K Street Suite 101 Sacramento California 95814

Telephone 916.327.7500 Facsinile 916.441.5507 The Honorable Arnold Schwarzenegger Governor, State of California State Capitol Sacramento, CA 95814

Re: Special Election Reimbursement

Dear Governor Schwarzenegger:

On behalf of the California State Association of Counties (CSAC) and California's 58 counties, I write to thank you for leading California to a solution to our budget deficit. An important part of the package includes putting a number of questions to the voters before the next fiscal year begins. Of course, counties will be the ones conducting that election.

From all of our previous conversations and communications with you and your staff, you know that counties are in a precarious situation, fiscally. Even with the state's budget solution coming together, counties are anticipating three years of statewide property tax decline, at least two years of sales tax revenue declines, and demands for aid that rise as the economy continues to falter.

With that understanding I write to express concerns regarding the costs of a special election. Counties have estimated those costs to be \$80 million. Review of drafts of the legislation providing for the election has not identified funding to pay for the costs of that election. In anticipation of your signature on Senate Bill 11, California's counties ask that you specify the state's intent to reimburse counties for the costs of this election that are related to the statewide questions. When you signed the bill establishing a February Presidential Primary, you wrote:

"A separate presidential primary election does not come without cost to California counties. As such, I am signing this measure with the understanding that the Legislature will reimburse counties for the costs of the presidential primary as soon as possible."

California's counties would appreciate a similar statement regarding this election.

Thank you for your continued support of California's counties. We stand as strong partners of the state during these difficult fiscal times.

Sincerely,

Paul McIntosh Executive Director

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