

ATRA OPPOSES HB 2349

Another example of special legislation undermining government spending limits

HB 2349, an education omnibus, was amended in the Senate K-12 Education Committee to include special legislation allowing Agua Fria Union High School District to pay the Department of Education 20% of an illegal levy and to keep the remainder. The 20% represents an effort to repay the state for the cost of the homeowner rebate. Property taxpayers, meanwhile, are offered nothing in this bill to repay them for what was illegally taken from them.

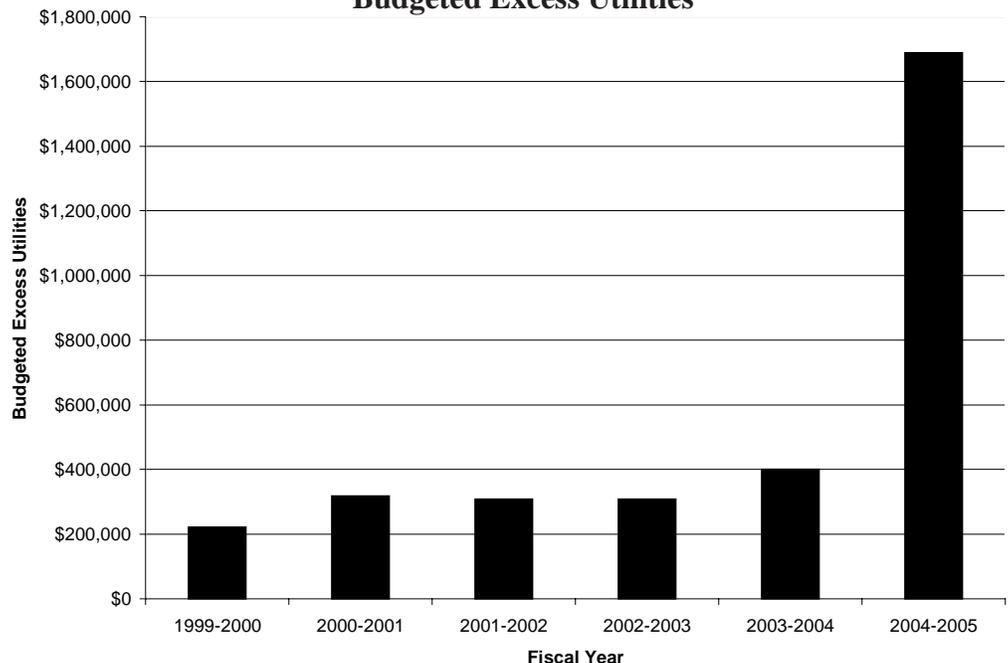
An Auditor General report found that for FY 2002 and FY 2003, Agua Fria Union illegally levied excess utilities property taxes to purchase and maintain a chiller system. Excess utilities, which sunsets at the end of FY 2009, was never intended for capital purchases and maintenance. The cost of the chiller was approximately \$800,000 and operating expenses wrongly classified as utilities was about \$600,000. The Department of Education has reclassified the expenses and disallowed the amounts in excess of the budget limits. Similar illegal levies took place by the district in FY 2004 and FY 2005.

In FY 2000, Agua Fria Union budgeted \$221,064 for excess utilities. Driven primarily by these illegal levies, that number has now grown to \$1,689,637 for FY 2005, a 664% increase.

Support for this legislation is yet another troubling example of a willingness on the part of some legislators to undermine local government spending limits.

It seems that laws limiting government spending are relevant right up to the point where the limit is illegally exceeded. At that point, special legislation is drafted to make the violation of state law go away, retroactively, and allow the entity to keep most or all of the unauthorized excess money.

**Agua Fria Union
Budgeted Excess Utilities**



Please vote NO on HB 2349

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