Lawsuit filed to block prison-expansion plan

Motion seeks to prevent sale of AB 900 bonds

"There is case law

that goes back more

than 60 years that

affirms the use of

lease-revenue bonds as

laid out in AB 900."

-H.D. Palmer

Department of Finance, spokesman

MALCOLM MACLACHLAN | CAPITOL WEEKLY

taxpayers group today announced a lawsuit to block the prison-expansion plan signed by Governor Arnold Schwarzenegger in May.

Representatives for Taxpayers for Improving Public Safety plan to deliv-

er the lawsuit to state Superior Court today. Their complaint alleges that the plan outlined in AB 900 is illegal under California's constitution because it lacks an "independent revenue source" to pay off the costs of the bonds. It also notes that Article XVI requires voter approval for any bond larger than \$300,000.

Carried by Assemblyman Jose Solorio, D-Santa Ana, AB 900 call for the state to sell bonds to finance 53,000 jail

beds and 16,000 prison beds. The final cost to taxpayers would be \$7.4 billion. The bill passed with widespread bipartisan support, receiving only a single no vote in the Assembly.

H.D. Palmer, the Department of Finance director of external affairs, took issue with TIPS interpretation of the financing scheme, called "lease-revenue bonds."

"There is case law that goes back more than 60 years that affirms the use of leaserevenue bonds as laid out in AB 900," Palmer said.

> TIPS lobbyist and executive director Matt Gray said the motivation for the suit was to try to force lawmakers to listen to the public. He said polls show they prison expansion is unpopular with voters.

"The Legislature has failed to have a meaningful discussion about how to fix our prison system and improve public safety," Gray said. "Lawmakers seem to be stuck in politics as usual."

Legislators have ignored numerous alternatives, Gray said. This includes transferring 20,000 foreign nationals in custody to the federal system, moving out 4,500 terminally or chronically ill inmates, and releasing some of the 31,000 minor offenders and technical parole violators currently in state prisons.



Matt Gray, executive director, TIPS.

There have been numerous protests against the plan around the state in recent weeks, but Gray said these were not having an effect.

"That ship has sailed," Gray said. "This is the only way to do something about it."

TIPS will be seeking an injunction to stop the sale of bonds pending the outcome

of the case. The suit names Schwarzenegger, Corrections chief Jim Tilton and controller John Chiang as the defendants. An initial hearing has been set for September 10.

Contact Malcolm Maclachlan at malcolm.maclachlan@capitolweekly.net



