



May 9, 2011

The Honorable Ricardo Lara  
California State Assembly  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0050

Re: AB 229  
Position: Oppose

Dear Mr. Lara:

The Kings River Water Association (KRWA) and the Kings River Conservation District (KRC D) are in opposition of AB 229, an act to amend Section 12410.5 of, to add Sections 12410.6, 12410.7, and 12410.9 to, and to add and repeal Section 12410.8 of, the Government Code, relating to audits.

KRWA and KRC D are regional agencies that oversee the operation of the Kings River in the San Joaquin Valley of California. KRWA is an association comprised of the 28 public and private agencies with rights or entitlements to water from the Kings River. The organization manages those water entitlements and deliveries, and is engaged in various environmental enhancement and water quality-related projects. KRC D is a public agency responsible for flood control, power, on-farm water management, environmental programs and groundwater management.

KRWA and KRC D oppose AB 229 because it would negatively impact rural districts within the Kings River service area. In particular, this bill prohibits local agencies from using the same audit firm for more than five consecutive years unless waived by the State Controller if "no qualified auditor is otherwise available". Rural agencies often have fewer resources, and it would be wasteful for them to bring an alternate auditor from far away, especially if their choices are narrowed by a new, restrictive list of allowable public agency auditors, another provision of the bill.

Please contact us or our government relations representatives Jackson R. Gualco or Kendra Daijogo at 916/441-1392 if you have any questions or comments regarding this correspondence.

Sincerely,

David Orth, General Manager  
Kings River Conservation District

Steve Haugen, Watermaster  
Kings River Water Association

The Honorable Ricardo Lara  
May 9, 2011  
Page 2

cc: Honorable Chair and Members      Assembly Committee on Appropriations  
Mr. Roger Dunstan  
Mr. Allan Cooper  
The Gualco Group, Inc.