

CALIFORNIA LEGISLATURE
2003-04 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Wednesday, January 8, 2003
FIFTH SESSION DAY
THIRTY-EIGHTH CALENDAR DAY
AT SACRAMENTO, CALIFORNIA



NOTE: Official record of roll call votes; all amendments considered by the Assembly on this day are on file with the Chief Clerk of the Assembly and available on request. A list of all measures amended and on which amendments were offered is shown on the final page of this day's Assembly Journal.

PROCEEDINGS OF THE ASSEMBLY

IN ASSEMBLY

Assembly Chamber, Sacramento
Wednesday, January 8, 2003

The Assembly met at 4:15 p.m.
Hon. Christine Kehoe, Speaker pro Tempore of the Assembly,
presiding.
Chief Clerk E. Dotson Wilson at the Desk.
Assistant Clerk Brian Ebbert reading.

ROLL CALL

The roll was called.

Quorum Call of the Assembly

Assembly Member Spitzer moved a quorum call of the Assembly.
Motion carried. Time, 4:16 p.m.
The Speaker pro Tempore directed the Sergeant at Arms to close the
doors, and to bring in the absent Members.

Quorum Present

At 4:35 p.m., Speaker pro Tempore Kehoe declared a quorum of the
Assembly present.

The roll call was completed, and the following answered to their
names—77:

Aghazarian	Dymally	Lieber	Pavley
Bates	Firebaugh	Liu	Plescia
Benoit	Frommer	Longville	Reyes
Berg	Garcia	Lowenthal	Richman
Bermudez	Goldberg	Maddox	Ridley-Thomas
Bogh	Hancock	Maldonado	Runner
Calderon	Harman	Matthews	Salinas
Campbell	Haynes	Maze	Samuelian
Canciamilla	Horton, Shirley	McCarthy	Simitian
Chan	Houston	Montanez	Spitzer
Chavez	Jackson	Mountjoy	Strickland
Chu	Keene	Mullin	Vargas
Cogdill	Kehoe	Nakanishi	Wiggins
Corbett	Koretz	Nakano	Wolk
Correa	La Malfa	Nation	Wyland
Cox	La Suer	Negrete McLeod	Yee
Daucher	Laird	Nunez	Mr. Speaker
Diaz	Leno	Oropeza	
Dutra	Leslie	Pacheco	
Dutton	Levine	Parra	

PRAYER

Upon invitation of Speaker pro Tempore Kehoe, the following prayer was offered by Assembly Chaplain Rev. Constantine C. Pappademos:

O God, Grant that we may wait patiently to know Your will, that we may welcome all truth, no matter from where it is uttered, that we may bless every good deed, no matter who may do it, and that we may rise above all strife, to contemplate Your eternal truth and goodness.—AMEN.

PLEDGE OF ALLEGIANCE TO THE FLAG

Upon request of Speaker pro Tempore Kehoe, Assembly Member Laird then led the Assembly in the pledge of allegiance to the Flag.

MOTION TO DISPENSE WITH READING OF THE JOURNAL

Further reading of the Journal of the previous legislative day was dispensed with on motion of Assembly Member Firebaugh, seconded by Assembly Member Cox.

LEAVES OF ABSENCE FOR THE DAY

By unanimous consent, the following Assembly Members were granted leaves of absence for the day:

On legislative business: Assembly Member Jerome E. Horton.

Because of illness: Assembly Member Cohn.

Because of illness in his family: Assembly Member Steinberg.

EXPLANATIONS OF ABSENCE

Pursuant to the Assembly Rules, the following explanation of absence was ordered printed in the Journal:

January 7, 2003

The Honorable Herb J. Wesson, Jr.

Speaker of the Assembly

State Capitol, Room 219

Sacramento, California

Dear Mr. Speaker: I am respectfully requesting to be excused from Assembly Floor Session on Wednesday, January 8, 2003, due to legislative business in my district. I will be returning to Sacramento on Thursday, January 9, 2003, in time for Assembly Floor Session.

Thank you for your consideration of this request. Should you have any questions, please contact me at (916) 319-2051 or (916) 207-5100.

Sincerely,

JEROME E. HORTON, Assembly Member
Fifty-first District

**INTRODUCTION AND FIRST READING OF
ASSEMBLY BILLS**

The following bills were introduced and read the first time:

ASSEMBLY BILL NO. 89—Bogh. An act to amend Section 1776 of the Labor Code, relating to prevailing wages.

ASSEMBLY BILL NO. 90—Wyland. An act to amend Section 30312 of the Public Resources Code, relating to the California Coastal Commission.

ASSEMBLY BILL NO. 91—Dutton. An act to amend Section 22171 of the Education Code, relating to the state teachers' retirement.

ASSEMBLY BILL NO. 92—Jerome Horton. An act to amend Section 45004 of the Government Code, relating to city employees.

ASSEMBLY BILL NO. 93—Canciamilla. An act to add Division 30 (commencing with Section 81000) to the Water Code, relating to financing a water quality, water security, and water supply infrastructure improvement program, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

ASSEMBLY BILL NO. 94—Chu. An act to amend Section 96.31 of the Revenue and Taxation Code, relating to property taxation.

ASSEMBLY BILL NO. 95—Committee on Judiciary (Corbett (Chair), Hancock, Jackson, Laird, Longville, Montanez, Steinberg, and Vargas). An act to amend Section 17201 of the Business and Professions Code, relating to unfair competition.

ASSEMBLY BILL NO. 96—Bermudez. An act to amend Sections 44395, 44396, 44510, 44735, 44751, 44752, 48200.7, 51101, 52054, 52055.52, 52055.600, 52055.605, 52055.610, 52055.615, 52055.620, 52055.625, 52055.650, 52055.655, 52055.656, 52058.1, 58907, 58916, 66941, 69440, 69532, 69612, 69613.1, 69615.4, 70001, 70003, 70005, 99200, 99203, 99220, and 99234 of, to amend the heading of Article 3.5 (commencing with Section 52055.600) of Chapter 6.1 of Part 28 of, the Education Code, and to amend Sections 8869.80 and 8869.84 of the Government Code, relating to schools.

ASSEMBLY BILL NO. 97—Nation. An act to amend Sections 44579.1 and 48209.16 of the Education Code, relating to schools, and declaring the urgency thereof, to take effect immediately.

ASSEMBLY CONSTITUTIONAL AMENDMENT NO. 6—Campbell (Coauthors: Keene, Leslie, and Runner). A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by repealing and adding Article XIII B thereof, and by amending Section 8.5 of Article XVI thereof, relating to expenditure limits.

REQUEST FOR PHOTOGRAPHER

Assembly Member Firebaugh was granted unanimous consent that guests and photographers be permitted on the Floor of the Assembly.

ADJOURN IN MEMORY

Assembly Member Leno was granted unanimous consent that when the Assembly adjourns on this day it do so out of respect to the memory of Philip Fay Stevenson, of San Francisco.

(Assembly Rule 45.5 suspended.)

At 4:55 p.m., Speaker Herb Wesson, 47th District, presiding

RECESS

By unanimous consent, at 4:55 p.m., Speaker Wesson declared the Regular Session of the Assembly recessed.

IN JOINT CONVENTION

At 4:56 p.m., the Senate and Assembly met in Joint Convention.
Hon. Herb Wesson, Speaker of the Assembly, presiding.

APPOINTMENT OF JOINT COMMITTEE ON ESCORT

Speaker Wesson appointed Assembly Members Berg, Chu, Cox, Ridley-Thomas, and Oropeza, and Senators Ortiz, Brulte, Romero, Perata, and Denham as a Joint Committee on Escort to escort Governor Gray Davis to the Joint Convention.

INTRODUCTION OF FIRST LADY OF CALIFORNIA

Speaker Wesson introduced Mrs. Sharon Davis, First Lady of California to the Joint Convention.

**INTRODUCTION OF CONSTITUTIONAL OFFICERS
AND SPECIAL GUESTS**

Speaker Wesson introduced Hon. Cruz Bustamante, Lieutenant Governor; Hon. Bill Lockyer, Attorney General; Hon. Kevin Shelley, Secretary of State; Hon. Phil Angelides, Treasurer; Hon. Steve Westly, Controller; Hon. Jack O'Connell, Superintendent of Public Instruction; Hon. John Garamendi, Insurance Commissioner; and Board of Equalization Members: Hon. John Chiang (District 4); Hon. Claude Parrish (District 3); Hon. Bill Leonard (District 2); and Hon. Carole Migden (District 1).

INTRODUCTION OF SUPREME COURT JUSTICES

Speaker Wesson introduced Hon. Ronald M. George, Chief Justice of California; Associate Justices Hon. Marvin R. Baxter, Hon. Kathryn M. Werdegar, Hon. Ming Chin, Hon. Janice Rogers Brown, and Hon. Carlos Moreno.

PRESENTATION OF PRESIDENT PRO TEMPORE OF THE SENATE

Speaker Wesson then presented the Honorable John Burton President pro Tempore of the Senate.

PRESENTATION OF LIEUTENANT GOVERNOR

President pro Tempore Burton then presented the Honorable Cruz Bustamante, Lieutenant Governor and President of the Senate.

PRESENTATION OF GOVERNOR

Lieutenant Governor Bustamante then presented the Honorable Gray Davis, Governor of the State of California, to the Joint Convention.

ADDRESS BY GOVERNOR

Governor Davis then proceeded to address the Joint Convention.

ADJOURNMENT OF JOINT CONVENTION

At 5:32 p.m., there being no further business, Speaker Wesson declared the Joint Convention adjourned *sine die*.

IN ASSEMBLY

At 5:32 p.m., the Assembly reconvened.

Hon. Herb J. Wesson, Speaker of the Assembly, presiding.

GOVERNOR'S ADDRESS PRINTED IN JOURNAL

Without objection, the following text of Governor Gray Davis' State of the State Address was printed in the Journal:

**Governor Gray Davis
State of the State Address**

Assembly Chambers, State Capitol
Wednesday, January 8, 2003

Tonight, I come before you with a challenge as great as any in our state's history—and a real plan to meet that challenge.

When Governors speak from this podium, they ordinarily discuss a range of issues.

But these are not ordinary times. We have one overriding task before us.

We must come together to create new jobs and get our economy back on track.

This task will not be easy. But it is essential if we're going to continue moving forward.

And, together, my friends, we've made real progress.

Today, our student's test scores are up four years in a row. One million more children have health insurance than four years ago.

200,000 Cal Grants for college will be awarded this year—a 53 percent increase. 220,000 Governor's Merit Scholarships have also been earned over the past two years.

Three thousand more police officers are on the street. Three thousand miles of freeway are being improved.

500,000 more acres of precious land have been protected. Prescription drugs for seniors are being discounted. Services to our veterans are being improved. Five more veterans' homes are being built.

We've healed old wounds with Mexico. Recognized the rights of domestic partners. Passed the first significant laws in America on stem-cell research, global warming and paid family leave.

Together, we've made California stronger and better.

But, now, much of what we've built is being threatened by a struggling national economy and declining stock market.

The conditions which have brought us to this point are well known. Personal income is down. Employment is down. Retail sales and manufacturing are down.

This national recession has forced nearly every state in America into the red.

These are tough times. But Californians are made of tougher stuff.

On Friday, I will send you one of the toughest budgets ever presented. It will be balanced. It will be responsible. It will make significant cuts in nearly every program. And it will restore this state to sound financial footing.

My budget will protect, to the extent possible, our progress in public education, public safety and children's health insurance.

But make no mistake: my budget makes hard choices. We have faced the problem head-on. There are no tricks. No gimmicks. No evasions.

In short, my budget will erase the \$35-billion shortfall and eliminate the structural deficit.

Any alternative that does less is irresponsible and a waste of our time.

Already, my Administration has begun the hard work.

We've frozen hiring and spending. Eliminated more than 10,000 positions. Identified more than \$10 billion in reductions. And called an extraordinary session of the Legislature.

I urge you in the strongest possible terms to pass my \$10 billion in proposed cuts this month.

State government will need to do more with less—and we will.

But, as I stated in my Inaugural Address, it's not enough to simply pass a budget that balances the books.

We must re-write the book on California budgets.

Our current fiscal structure has not been updated in 25 years to reflect either our changing economy or demographics.

Our budgets have become painfully dependent upon extremely volatile sources of revenue, constraining our ability to make long-term vital public investments.

It's high time to free ourselves of this boom-bust syndrome.

My budget will discuss several structural reform proposals for the Legislature's consideration. They include restoration of the Executive's authority to make mid-year budget reductions in difficult times.

I will convene the legislative leadership, as well as major stakeholders, to solicit other reform proposals.

Now, I don't have all of the answers. None of us do. But I will lead the discussion. And I will not sign a budget without substantial structural reform.

My friends, we must end the budget roller-coaster ride.

But we also must do more to create new jobs now and to stimulate our economy.

Obviously, the federal government can do more than any state to promote economic growth.

Washington needs to step up and pass a real economic plan. One that puts Americans back to work this year.

But, at the same time, we can't afford to sit back and wait.

My most immediate priority can be summed up as jobs, more jobs, and even more jobs.

They are the engine of our future and the cornerstone of the California Dream.

My goal is to help create 500,000 new jobs over the next four years.

I'm proposing a new California Jobs plan that will put more Californians to work—not in years, but in weeks.

We'll begin with "Build California"—a new initiative to accelerate the flow of billions of dollars into our economy.

Last November, the voters of this state did their part by approving \$18 billion in bond measures for better schools, affordable housing and new water projects.

In December, I asked the State Allocation Board to expedite \$5.5 billion from our new School Bond. I thank them for their quick action. These funds will finance 1,000 new schools, 1,400 modernized schools and 135,000 new jobs.

Now, I'll be calling on them to commit the remaining \$6 billion in half the time of previous bonds. Specifically, I'll ask them to allocate \$300 million a month until every dollar is out the door—and another 150,000 new jobs are created.

We will also fast-track our \$2.1 billion housing bond. I'm asking that \$230 million be made available this month. This, by itself, will create another 68,000 new jobs. The entire bond issue will produce a total of 276,000 new jobs.

I will also direct my agencies to accelerate freeway and public transit projects by one full year.

And I will appoint "Build California" Teams to reduce red tape and speed these projects through the process.

I set up similar teams in our successful effort to expedite the construction of UC Merced by one full year and bring more electricity on-line over a 16-month period than in any other time in our history.

All of these efforts add up to one thing—jobs. Not down the road, but right here, right now.

Moreover, I will recommend that the UC Board of Regents Pension Fund invest in California housing. Similar investments by CalPERS have built 32,000 homes, created 60,000 jobs and yielded a 23-percent return over 10 years.

In addition, we need to do everything in our power to support small businesses—which employ more than half of all Californians.

In my first term, we doubled the number of certified small businesses from 5,500 to 10,000.

We increased small-business participation in state contracts from 12 percent to 31 percent, sending a total of \$2.1 billion to small businesses.

And I've appointed the first-ever Small Business Advocate in the Governor's Office. Please join me in welcoming Sonya Blake.

But there's more we must do.

I will charge the Small Business Advocate with rejecting all regulations that unfairly impact small business.

I will also ask her to review existing regulations and identify changes that promote growth and new jobs.

In addition, I will ask the Public Utilities Commission to create an Office of Economic Development. It will review all major proceedings before the PUC to determine their benefit to the economy, infrastructure and job creation.

Every large economy needs a vibrant manufacturing base. So I will ask you to extend the Manufacturers' Investment Credit.

This credit is widely recognized as creating hundreds of thousands of new jobs.

We will also do more to provide a well-trained workforce—focusing on teachers, nurses and disabled workers.

In addition, we will focus like a laser on two sectors that promise high growth and high wages.

First, Homeland Security.

In the months that followed September 11th, no state in America did more to protect its people and vital assets.

State and local law enforcement have answered our nation's call without question and without hesitation—but they shouldn't have to do it without compensation.

So, tonight, I call upon the President and Congress to fully fund the cost for all 50 states of defending our freedom here at home.

We will continue to do our part. I will establish a new, permanent state Office of Homeland Security. It will serve two critical functions:

First, it will coordinate security activities throughout California.

Second, it will highlight the extraordinary technological capabilities of California's private industry to help protect all Americans.

In the coming year, I will personally lead a high-level delegation to our nation's capital to underscore how California can lead the way in keeping America safe.

Please join me in recognizing those who stand on the frontlines of homeland security—CHP Commissioner Spike Helmick, General Paul Monroe of the National Guard, Sheriff Lou Blanas of Sacramento County, Sheriff Lee Baca of Los Angeles County and Sheriff Bill Kolender of San Diego County.

Finally, I'm pleased to introduce the Director of this new state Office of Homeland Security, George Vinson. George has spent 23 years with the FBI, 10 with the CHP, and the last year as my Security Advisor.

While we apply new technology to protect American lives, we will also use it to heal them.

Every year, we lose too many Californians to cancer, Alzheimer's, Parkinson's, and other life-threatening diseases.

For those of us who've experienced the pain of watching a loved one slip away, these aren't just numbers in a ledger. They are our mothers and fathers, our brothers and sisters, our family and friends.

And their stories summon us to focus our best skills and resources on building healthier, longer lives.

California has pioneered the field of life sciences. And, over the last four years, we've strengthened our position.

We've launched four world-class Institutes of Science and Innovation.

One of them is an institute of biotechnology, where, today, top-flight scientists are developing new discoveries to improve human health.

Please join me in welcoming some of the leaders of this extraordinary field:

- Dr. J. Michael Bishop—Lead Chancellor for our new UC Institute of Biotechnology and a 1989 Nobel Prize winner in Medicine.
- Dr. Elizabeth Blackburn—The 1999 California Scientist of the Year and one of the world's top cancer researchers.
- Dr. Cynthia Kenyon—Head of UCSF's Center for the Biology of Aging.
- Dr. Sydney Brenner—This year's Nobel Prize winner in Medicine for his groundbreaking work on organ development.

To keep California on the cutting-edge of this life-saving field, we need to launch a new Life Sciences Initiative.

My Administration will focus on three things: one, increasing the number of qualified lab technicians. Two, working with the University of California to simplify the transfer of technology. Three, increasing access to venture capital and federal grants.

The true value of this industry lies not in its bottom line, but in its higher purpose.

Let me tell you a story about a 10-year-old girl from Whittier named Anies Garcia.

Anies was born with non-functioning kidneys.

In 1997, she had a kidney transplant. Unfortunately, her body rejected it and she developed heart failure.

Her only hope was a combined kidney/heart transplant. But, at the time, the risk of rejection was simply too high.

So her doctor, Bob Ettenger, worked round-the-clock with a team of bio-scientists and specialists at UCLA and Mattel Children's Hospital.

Together, they developed breakthrough medicine—specifically for children, specifically for double transplants—that would stop her body from rejecting the new organs.

Because of these revolutionary drugs, Anies was able to become only the second child in America under the age of 10 to successfully receive a combined heart and kidney transplant.

Today, she's doing great. In fact, she's with us tonight. And she's here with the doctor who dedicated his life to saving hers—Dr. Bob Ettenger. Please give these heroic Californians a spirited welcome.

Theirs is a story of great inspiration. It reminds us once again how Californians have always defied the odds to triumph over adversity.

Our parents and grandparents sacrificed for us, fought and died for us, endured the Depression, and perished in the Holocaust.

Despite all of this, their generation invested in our future. They built our schools, our roads, our farms and our businesses.

They didn't fear their destiny. They seized it. They showed us how the worst of times can bring out the best in each other. And they left behind a far greater California for the generations that succeeded them. So shall we.

My friends, the state of our state has always been strong—not because of the size of our treasury, but because of the soul of our people.

Let us prove worthy of our rich legacy.

Let us rise to the challenge of our time.

Let us summon the courage to do what is right and the will to do it together.

ADJOURN IN MEMORY

Assembly Member Chan was granted unanimous consent that when the Assembly adjourns on this day it do so out of respect to the memory of Marie Farrell Billings, of Alameda.

MOTION TO ADJOURN

At 5:32 p.m., Assembly Member Firebaugh moved that the Assembly do now adjourn.

Assembly Member Cox seconded the motion.

Motion carried.

QUORUM CALL OF THE ASSEMBLY DISPENSED WITH

At 5:33 p.m., Speaker Wesson declared the quorum call of the Assembly dispensed with.

INTRODUCTION OF GUESTS

Assembly Member Cox, of the 5th Assembly District, introduced Hon. Fred Keeley, former Speaker pro Tempore of the Assembly.

ADJOURNMENT

At 5:33 p.m., pursuant to the motion by Assembly Member Firebaugh, the Assembly adjourned until 8:30 a.m., Thursday, January 9, 2003, out of respect to the memory of Marie Farrell Billings, on motion of Assembly Member Chan; and out of respect to the memory of Philip Fay Stevenson on motion of Assembly Member Leno.

HERB J. WESSON, JR., Speaker

PAM CAVILEER, Minute Clerk