## CALIFORNIA LEGISLATURE 2009–10 EIGHTH EXTRAORDINARY SESSION

### ASSEMBLY DAILY JOURNAL

# Monday, January 11, 2010 FIRST SESSION DAY

#### AT SACRAMENTO, CALIFORNIA

FIRST CALENDAR DAY



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 Monday, January 11, 2010

At 12:40 p.m., the Assembly met pursuant to the provisions of the Proclamation of the Honorable Arnold Schwarzenegger, Governor of the State of California, dated January 8, 2010, convening the Legislature of the State of California on this day in extraordinary session.

In conformity with Government Code Section 9150, the following officers for the 2009–10 Regular Session were present and performing their respective duties: E. Dotson Wilson, Chief Clerk, Amy Leach, Minute Clerk, and Ronald E. Pane, Chief Sergeant-at-Arms.

Isadore Hall III, Assistant Speaker pro Tempore of the Assembly for the 2009–10 Regular Session, presiding.

Assistant Clerk Timothy Morland reading.

#### **ROLL CALL**

The roll was called and the following answered to their names—76:

Adams	Davis	Harkey	Nielsen
Ammiano	De La Torre	Hayashi	Pérez, John
Anderson	De León	Hernandez	Pérez, V. Manuel
Arambula	DeVore	Hill	Portantino
Beall	Emmerson	Huber	Ruskin
Berryhill, Bill	Eng	Huffman	Salas
Berryhill, Tom	Evans	Jeffries	Silva
Blakeslee	Feuer	Jones	Skinner
Block	Fletcher	Knight	Smyth
Blumenfield	Fong	Lieu	Solorio
Bradford	Fuentes	Logue	Strickland
Brownley	Fuller	Lowenthal	Swanson
Buchanan	Furutani	Ma	Torlakson
Caballero	Gaines	Mendoza	Torres
Calderon	Galgiani	Miller	Torrico
Chesbro	Garrick	Monning	Tran
Conway	Gilmore	Nava	Villines
Cook	Hagman	Nestande	Yamada
Coto	Hall	Niello	Mme. Speaker

#### **PRAYER**

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

Lord, In order to see more of You in our life, we need to do our part to develop a relationship with You. We have to choose to submit our heart to You and to allow You to purify us on the inside. Lord, help us to be more selective in the things we watch on T.V., what we listen to on the radio and read in the magazines. Ultimately, whatever we give our attention to, will shape our heart and our character. Father in heaven, open our heart to You and purify us by Your Holy Spirit.—AMEN.

#### PLEDGE OF ALLEGIANCE TO THE FLAG

Upon request of Assistant Speaker pro Tempore Hall, Assembly Member Portantino then led the Assembly in the pledge of allegiance to the Flag.

#### LEAVES OF ABSENCE FOR THE DAY

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

Because of illness: Assembly Member Carter.

Because of a death in her family: Assembly Member Saldaña.

#### PROCLAMATION OF THE GOVERNOR

Assistant Speaker pro Tempore Hall directed the Clerk to read the following Proclamation of the Governor convening the Legislature in extraordinary session:

#### A PROCLAMATION

#### BY THE GOVERNOR OF THE STATE OF CALIFORNIA

WHEREAS on this date, pursuant to Section 10(f) of Article IV of the Constitution of the State of California, I have proclaimed a fiscal emergency; and

WHEREAS on this date, I am submitting to the Legislature proposed

legislation to address that fiscal emergency; and

WHEREAS this extraordinary occasion having arisen and now existing, it requires that the Legislature of the State of California be convened in extraordinary session.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power and authority vested in me in accordance with Section 10(f) of Article IV of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet in extraordinary session at Sacramento, California on the 8th day of January 2010, at a time to be determined, to consider and act upon legislation to address the fiscal emergency proclaimed by me this day.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 8th day of January 2010.



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ARNOLD SCHWARZENEGGER
Governor of California

ATTEST:

DEBRA BOWEN Secretary of State

#### FISCAL EMERGENCY PROCLAMATION BY THE GOVERNOR OF THE STATE OF CALIFORNIA

WHEREAS last year, the nation and California confronted the most severe economic downturn since the Great Depression; and

WHEREAS in response to this dire fiscal situation, the Budget Act of 2009 was enacted in February, four months ahead of the constitutional deadline, to address a \$42 billion projected deficit; and

WHEREAS as the recession deepened throughout the spring, the revenues eroded and there was additional pressure on spending, especially in state programs providing health and human services, which are most sensitive to economic downturns. The Amended Budget Act of 2009 addressed the additional budget gap of \$24 billion that resulted from the deepening recession; and

WHEREAS at the time the Amended Budget Act of 2009 was enacted, the budget reserves for Fiscal Year 2009-10 totaled \$500 million; and

WHEREAS California is slowly emerging from the recession, however, the economic growth is very modest and high unemployment persists. Baseline revenues fell by more than 20 percent from their peak and they are expected to remain about 30 percent lower than 2007–08 projections for several years; and

WHEREAS California's economy remains weak and revenues are depressed and additional pressures on spending exist. These and other cost drivers are projected to create a current year budget shortfall of \$6.6 billion and a budget shortfall of \$12.3 billion for fiscal year 2010–11 and no reserve; and

WHEREAS it is critical that more jobs be created to address California's economy and budget and fiscal crisis; and

WHEREAS interconnected with the difficult budget crisis, last year California faced a serious cash-flow problem such that the State lacked sufficient cash to make all General Fund payments in a timely manner: and

WHEREAS to address this serious cash-flow situation the State suspended loans from the Pooled Money Investment Account for thousands of capital projects and delayed issuance of taxpayer refunds, and for only the second time since the Great Depression, California issued registered warrants (IOUs) to preserve cash for essential payments; and

WHEREAS absent corrective action, the State will again face a serious cash-flow problem that may result in the State being unable to timely meet all the General Fund cash needs in 2010.

THEREFORE. ARNOLD SCHWARZENEGGER. I. Governor of the State of California, in accordance with Section 10(f) of Article IV of the Constitution of the State of California, HEREBY DETERMINE that General Fund revenues for Fiscal Year 2009–10 will decline substantially below the estimate of General Fund revenues upon which the Amended Budget was based, and as the result of unachieved budget reductions, General Fund expenditures will increase substantially above the estimate of General Fund revenues.

- I, ARNOLD SCHWARZENEGGER, Governor of the State of California, HEREBY DECLARE that a fiscal emergency exists.
- I, ARNOLD SCHWARZENEGGER, Governor of the State of California, HEREBY IDENTIFY THE NATURE OF THIS FISCAL EMERGENCY to be the projected budget imbalance for Fiscal Year 2009–10 and the projected insufficient cash reserves and budgetary and cash deficits in Fiscal Year 2010–11.

FURTHER on this day, as required by Section 10(f) of Article IV of the Constitution of the State of California, I will cause the Legislature to assemble in special session to address this fiscal emergency, and I will submit to the Legislature proposed legislation to address this fiscal emergency.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 8th day of January 2010.



ARNOLD SCHWARZENEGGER Governor of California

ATTEST:

DEBRA BOWEN Secretary of State

#### Receipt

I acknowledge receipt this 8th day of January 2010 at 11:44 a.m., of a proclamation by the Governor, regarding a fiscal emergency, and calling an extraordinary session, accompanied by proposed legislation to address the fiscal emergency, delivered to me personally by Jacque Roberts.

SUE L. PARKER Assistant Chief Clerk of the Assembly

#### **ELECTION OF SPEAKER**

Assembly Member Torrico was granted unanimous consent that the election of Speaker Karen Bass on December 1, 2008, to the Office of Speaker of the Assembly for the 2009–10 Regular Session, and the Oath of Office administered (see Assembly Daily Journal for December 1, 2008 for the Regular Session, pages 6 and 7), be substituted in the 2009–10 Eighth Extraordinary Session.

Assembly Member Davis seconded the motion.

Motion carried.

#### **OATH OF OFFICE**

The following oath of office was administered to Speaker-elect Karen Bass, on Monday, December 1, 2008 by the Honorable Kathryn M. Werdegar, Justice of the Supreme Court of California, and without objection was substituted in the Eighth Extraordinary Session:

#### **OATH**

for the Office of Speaker of the California Assembly

I do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

#### **ADOPTION OF STANDING RULES**

Assembly Member Torrico moved that the Permanent Standing Rules of the Assembly for the 2009–10 Regular Session and the organization of Standing Committees be adopted in the Eighth Extraordinary Session.

Assembly Member Davis seconded the motion.

Motion carried.

(NOTE: For the text of the Assembly Standing Rules, see Assembly Daily Journal for December 1, 2008 for the Regular Session, page 10.)

#### MOTION RELATIVE TO ORGANIZATION OF THE ASSEMBLY

Assembly Member Torrico moved that the provisions of House Resolution No. 3 in the 2009–10 Regular Session, relative to the payment of Members, officers, and attaches of the Assembly; and distribution of Weekly Histories, be substituted in the 2009–10 Eighth Extraordinary Session.

Assembly Member Davis seconded the motion.

Motion carried.

(NOTE: For the text of House Resolution No. 3, see Assembly Daily Journal for December 1, 2008 for the 2009–10 Regular Session, page 56.)

#### **ELECTION OF OFFICERS OF THE ASSEMBLY**

Member Torrico Assembly moved that the non-member-officers of the Assembly for the 2009–10 Regular Session be deemed the non-member-officers in the Eighth Extraordinary Session: E. Dotson Wilson, Chief Clerk, Ronald E. Pane, Chief Sergeant-at-Arms, Father Constantine C. Pappademos, Chaplain, Rev. Ivan L. Williams, Sr., Alternate Chaplain and that their respective oaths in the 2009–10 Regular Session be substituted in the 2009–10 Eighth Extraordinary Session.

Assembly Member Davis seconded the motion.

Motion carried.

(NOTE: For the oaths of office for the non-member-officers for the 2009-10 Regular Session, see Assembly Daily Journal for December 1, 2008 for the 2009-10 Regular Session, page 55.)

#### COMMUNICATIONS

The following communications were presented by the Speaker, and ordered printed in the Journal:

January 11, 2010

E. Dotson Wilson

Chief Clerk of the Assembly State Capitol, Room 3196 Sacramento, California

Dear Dotson: This is to advise you that I have appointed the following membership to the Assembly Rules Committee for the 2009–10 Eighth Extraordinary Session:

Assemblymember Ted Lieu, Chair

Assemblymember Ted Gaines, Vice Chair

Assemblymember Anthony Adams

Assemblymember Jean Fuller

Assemblymember Warren Furutani

Assemblymember Isadore Hall

Assemblymember Tony Mendoza

Assemblymember Jim Silva

Assemblymember Sandré Swanson

Assemblymember Tom Torlakson Assemblymember Mariko Yamada

Assemblymember Mike Davis, Democratic Alternate

Assemblymember Jim Nielsen, Republican Alternate

Sincerely,

KAREN BASS Speaker of the Assembly

January 11, 2010

E. Dotson Wilson

Chief Clerk of the Assembly State Capitol, Room 3196 Sacramento, California

Dear Dotson: This is to advise you that I have appointed the following Democratic Leadership for the 2009–10 Eighth Extraordinary Session:

Speaker pro Tempore Assistant Speaker pro Tempore Majority Floor Leader Majority Whip

Assistant Majority Whip Rules Committee Chair

Sincerely,

Hon. Lori Saldaña Hon. Isadore Hall Hon. Alberto Torrico Hon. Fiona Ma Hon. Marty Block

Hon. Ted Lieu

KAREN BASS Speaker of the Assembly

The following communication was presented by the Chief Clerk, and ordered printed in the Journal:

January 11, 2010

E. Dotson Wilson, Chief Clerk California State Assembly State Capitol, Room 3196 Sacramento, California

Dear Mr. Wilson: This letter is to notify you of the Minority Leadership Team for the 2009/2010 Eighth Extraordinary Session:

Assemblyman Sam Blakeslee Assemblyman Tom Berryhill Assemblyman Martin Garrick Assemblyman Cameron Smyth

Assemblyman Curt Hagman

Assemblyman Jim Nielsen

Assemblywoman Diane Harkey Assemblywoman Jean Fuller Assemblywoman Audra Strickland Assemblyman Bill Berryhill

Assemblywoman Connie Conway Assemblyman Brian Nestande Assemblyman Steve Knight Minority Leader

Assistant Minority Leader Assistant Minority Leader 2nd Ranking Minority Leader and Caucus Chair Minority Caucus Floor

Leader Budget and

Fiscal Accountability Solvency Strategies Caucus Best Practices Caucus Coalition Building

Member Services Coordination Minority Whip Minority Whip Minority Whip

If you have any questions regarding this letter, please contact Christine Robertson at 319-2033. It is an honor working with you in the California State Assembly.

Sincerely,

SAM BLAKESLEE Assembly Minority Leader

#### **ADJOURNMENT**

At 12:42 p.m., the Assembly adjourned to reconvene upon Call of the Speaker.

KAREN BASS, Speaker

AMY LEACH, Minute Clerk

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