

CALIFORNIA LEGISLATURE
2013–14 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Wednesday, January 22, 2014

**ONE HUNDRED THIRTY-NINTH SESSION DAY
FOUR HUNDRED SIXTEENTH 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. All Senate amendments to Assembly measures considered by the Assembly on this day are on file with the Secretary of the Senate and available on request. A list of all measures amended and on which amendments were offered in the Assembly is shown on the final page of this day's Assembly Journal.

PROCEEDINGS OF THE ASSEMBLY

IN ASSEMBLY

Assembly Chamber, Sacramento
Wednesday, January 22, 2014

The Assembly met at 8:45 a.m.

Hon. John A. Pérez, Speaker of the Assembly, presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Reading Clerk Timothy Morland reading.

ROLL CALL

The roll was called.

Quorum Call of the Assembly

Assembly Member Hall moved a quorum call of the Assembly.

Motion carried. Time, 8:45 a.m.

The Speaker directed the Sergeant at Arms to close the doors, and to bring in the absent Members.

Quorum Present

At 8:45 a.m., Speaker Pérez declared a quorum of the Assembly present.

The roll call was completed, and the following answered to their names—76:

Achadjian	Dababneh	Hernández	Perea
Alejo	Dahle	Holden	Pérez, V. Manuel
Allen	Daly	Jones	Quirk
Atkins	Dickinson	Jones-Sawyer	Quirk-Silva
Bigelow	Donnelly	Levine	Rendon
Bloom	Eggman	Linder	Ridley-Thomas
Bocanegra	Fong	Logue	Rodriguez
Bonilla	Fox	Maienschein	Salas
Bonta	Frazier	Mansoor	Skinner
Bradford	Garcia	Medina	Stone
Brown	Gatto	Melendez	Ting
Buchanan	Gomez	Morrell	Wagner
Calderon	Gonzalez	Mullin	Waldron
Campos	Gordon	Muratsuchi	Weber
Chau	Gorell	Nazarian	Wieckowski
Chávez	Gray	Nestande	Wilk
Chesbro	Hagman	Olsen	Williams
Conway	Hall	Pan	Yamada
Cooley	Harkey	Patterson	Mr. Speaker

PRAYER

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

Lord, When You expect us to do something, we shouldn't overanalyze it. We shouldn't reason it out too much. We shouldn't think, "Why should I apologize? I apologized first the last time." Or, "Why should I be good to them? They're not being good to me." Lord, teach us to be quick to obey Your will and to open the door to selflessness when we deal with others. And shower us with Your blessings. —AMEN.

PLEDGE OF ALLEGIANCE TO THE FLAG

Upon request of Speaker Pérez, Assembly Member Hagman 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 Atkins, seconded by Assembly Member Conway.

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 Lowenthal.

Because of illness, per diem waived for the 2013–14 Session (Assembly Journal, page 69): Assembly Member Beth Gaines.

On personal business, and waiving per diem: Assembly Member Grove.

Because of illness: Assembly Member Ammiano.

EXPLANATIONS OF ABSENCE

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

January 17, 2014

*The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California*

Dear Mr. Speaker: I respectfully request permission to be excused from Session on Wednesday, January 22, 2014, for legislative business. I have been invited to tour the Port of Long Beach with Secretary Fox, Department of Transportation, in my capacity as Chair of the Assembly Transportation Committee. Thank you for your consideration of this request. If you have any questions, please contact Nicole Anaya at 319-2070.

Sincerely,

BONNIE LOWENTHAL, Assembly Member
Seventieth District

SPECIAL COMMITTEE MEETINGS

By unanimous consent, the following committees were permitted to meet:

Water, Parks and Wildlife, to convene jointly with the Senate Committee on Natural Resources and Water, on Tuesday, February 25, 2014, at 9:30 a.m., in Room 4202;

Joint Legislative Audit Committee, on Tuesday, March 4, 2014, at 1:30 p.m., in Room 126.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, January 22, 2014

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined:

Assembly Bill No. 585

And reports the same correctly engrossed.

E. DOTSON WILSON, Chief Clerk

Above bill re-referred to committee.

BILLS RETURNED TO THIRD READING FILE

In compliance with a motion given on a previous day pursuant to Assembly Rule 78, the following bill was withdrawn from the inactive file, and placed upon the third reading file:

Assembly Bill No. 802, on request of Assembly Member Wieckowski.

ASSEMBLY RULE 118 SUSPENDED—PRIVILEGES OF THE FLOOR

Speaker Pérez was granted unanimous consent that Assembly Rule 118 be suspended granting the privileges of the Floor and permitting guests in the Assembly Chamber, at the Rostrum, and in the Gallery for the presentation of the State of the State Address by Governor Edmund G. Brown Jr.

RECESS

By unanimous consent, at 8:51 a.m., Speaker Pérez declared the Regular Session of the Assembly recessed.

IN JOINT CONVENTION

At 8:51 a.m., the Senate and Assembly met in Joint Convention.
Hon. John A. Pérez, Speaker of the Assembly, presiding.

APPOINTMENT OF JOINT COMMITTEE ON ESCORT

Speaker Pérez appointed Assembly Members Atkins, Bigelow, Brown, Conway, Daly, Muratsuchi, and Quirk-Silva and Senators Corbett, Fuller, Hill, Knight, Lara, and Mitchell as a Joint Committee on Escort to escort Governor Edmund G. Brown Jr. to the Joint Convention.

INTRODUCTION OF FIRST LADY OF CALIFORNIA

Speaker Pérez introduced the First Lady of California and Counsel to the Governor, Anne Gust Brown, to the Joint Convention.

INTRODUCTION OF CONSTITUTIONAL OFFICERS AND SPECIAL GUESTS

Speaker Pérez introduced Hon. Gavin Newsom, Lieutenant Governor; Hon. Kamala Harris, Attorney General; Hon. Debra Bowen, Secretary of State; Hon. Bill Lockyer, Treasurer; Hon. John Chiang, Controller; Hon. Tom Torlakson, Superintendent of Public Instruction; Hon. Dave Jones, Insurance Commissioner; and Board of Equalization Members: Hon. Jerome Horton, Chair (District 4); Hon. Betty Yee (District 1); and Hon. George Runner (District 2).

INTRODUCTION OF SUPREME COURT JUSTICES

Speaker Pérez introduced Hon. Tani Cantil-Sakauye, Chief Justice of California; and Associate Justices Hon. Marvin R. Baxter, Hon. Carol A. Corrigan, and Hon. Goodwin Liu.

PRESENTATION OF CALIFORNIA DIPLOMATIC AND CONSULAR CORPS

Speaker Pérez welcomed the California Diplomatic and Consular Corps present in the Assembly Gallery.

SPECIAL PRESENTATION

Speaker Pérez presented the Honorable Edmund G. Brown Jr., 39th Governor of the State of California with a plaque acknowledging the Governor on achieving the milestone of delivering the most addresses to a Joint Convention of the Legislature by any Governor in the history of California.

PRESENTATION OF PRESIDENT PRO TEMPORE OF THE SENATE

Speaker Pérez then presented the Honorable Darrell Steinberg, President pro Tempore of the Senate.

PRESENTATION OF LIEUTENANT GOVERNOR

President pro Tempore Steinberg then presented the Honorable Gavin Newsom, Lieutenant Governor and President of the Senate.

PRESENTATION OF GOVERNOR

Lieutenant Governor Newsom then presented the Honorable Edmund G. Brown Jr., Governor of the State of California, to the Joint Convention.

ADDRESS BY GOVERNOR

Governor Brown then addressed the Joint Convention.

ADJOURNMENT OF JOINT CONVENTION

At 9:30 a.m., there being no further business, Speaker Pérez declared the Joint Convention adjourned *sine die*.

IN ASSEMBLY

At 9:31 a.m., the Assembly reconvened.

Hon. John A. Pérez, Speaker of the Assembly, presiding.

GOVERNOR'S ADDRESS PRINTED IN JOURNAL

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

**Governor Edmund G. Brown Jr.
State of the State Address
January 22, 2014**

I am here today to report on the state of our state, choosing to ignore those who say that Article 5 of our Constitution, which requires the governor to report to the Legislature, is outdated; that you can't report on the condition of our state from Sacramento because California is too spread out and too diverse. It occurred to me that these critics—who have long recited our state's decline—perhaps have nothing to say in the face of California's comeback—except, “please, don't report it.” Well, I'm going to report it, and what a comeback it is: A million new jobs since 2010, a budgetary surplus in the billions and a minimum wage rising to \$10 an hour!

This year, Californians have a lot to be proud of. For a decade, budget instability was the order of the day. A lethal combination of national recessions, improvident tax cuts and too much spending created a financial sink hole that defied every effort to climb out. But three years later, here we are—with state spending and revenues solidly balanced, and more to come.

For that, I thank all of you—for your courageous and dedicated legislative work. It is truly impressive. I also want to thank the members of my administration who have worked so hard to help make all this happen. But above all else, I think we should thank the voters of California. In 2010, through Proposition 25, they established a majority vote for passage of the state budget. That ended the gridlock. Then, in 2012, they approved the temporary tax increases of Proposition 30. These two initiatives, together with the recovering economy and the tough decisions you took, made all the difference.

But we are not out of the woods and we certainly are not out of the drought. Life is uncertainty, the climate is changing—not for the better—and the business cycle and the stock market are historically volatile, with good years followed by bad, with painful regularity.

And while we know our revenues will fluctuate up and down, our long-term liabilities are enormous and ever growing. Let me list some of them: Over \$100 billion for pensions owed to state workers, teachers and judges; tens of billions needed to cover retiree health care; and \$65 billion needed to maintain and keep our roads, buildings and other infrastructure in sound repair. We also must account for future risks that could negatively affect our budgets like congressional decisions, natural disasters and the uncertain costs of the Affordable Care Act.

So we can't go back to "business as usual." Boom and bust is our lot and we must follow the ancient advice, recounted in the Book of Genesis, that Joseph gave to the Pharaoh: Put away your surplus during the years of great plenty so you will be ready for the lean years which are sure to follow.

Most governors and legislatures—in modern times—have forgotten this advice. This time we won't do that. We will pay down our debts and remember the lessons of history. The American philosopher, George Santayana, famously said: "Those who cannot remember the past are condemned to repeat it." To help us keep our fiscal realities in mind, I have some playing cards with a chart from this year's budget summary that shows our last 15 budgets. It's not pretty. So I decided to put a picture of Sutter on the other side to keep our spirits up. It will make you smile but also help us not forget.

Fiscal discipline is not the enemy of our democracy but its fundamental predicate. To avoid the mistakes of the past we must spend with great prudence and we must establish a solid rainy day fund, locked into the Constitution.

In 2004, the people voted for a rainy day fund which was found to be unworkable. In 2010, you created another rainy day fund, now scheduled for the November Election. But this latest effort doesn't give the state the option to pay off debt, doesn't deal with the ups and downs of Proposition 98 and doesn't account for spikes in capital gains. So let's fix these flaws before going to the voters. This is work that must be accomplished in the next few months.

Last year, I spoke of the principle of subsidiarity, a rather clunky word that nevertheless points to a profoundly important principle, namely that in our federal system there are separate layers of government, each with its own distinct responsibilities. The Oxford English Dictionary defines subsidiarity as the idea that a "central authority should have a subsidiary function, performing only those tasks which cannot be performed effectively at a more immediate or local level."

No better example of this can be found than in your enactment last year of the Local Control Funding Formula. This was a major breakthrough in the way funds are allocated to California's schools so that our laws explicitly recognize the difficult problems faced by low-income families and those whose first language is other than English. As a result, those with less are going to receive more and that is good for all of us.

But something else is at work in this Local Control Funding Formula. Instead of prescriptive commands issued from headquarters here in Sacramento, more general goals have been established for each local school to attain, each in its own way. This puts the responsibility where it has to be: In the classroom and at the local district. With six million students, there is no way the state can micromanage teaching and learning in all the schools from El Centro to Eureka—and we should not even try!

Last week, 324 people from across the state traveled to Sacramento to speak to the State Board of Education about the merits of this new law and the regulations which should be adopted under it. Principals, teachers, students, parents, religious groups and lawyers, all came forward to express their views. Now that shows interest and real

commitment! But their work is just beginning. Each local district now has to put into practice what the Local Control Funding Formula has made possible. That, together with new Common Core standards for math and English, will be a major challenge for teachers and local administrators. But they are the ones who can make it work and I have every confidence they will.

In a similar vein, in the field of public safety, we have changed historic practices in our prison system and transferred significant responsibilities to local authorities. The Federal courts, backed up by the United States Supreme Court, have ordered major reductions in our prison population and dramatic improvements in the medical and mental health programs that the state makes available. In response, we have transferred the supervision of tens of thousands of lower level offenders from the state to our 58 counties. This realignment is bold and far reaching, but necessary under the circumstances. And local law enforcement has risen to the occasion.

Our prisons are pioneering new programs and treatments—and so are the counties. Last week, I visited the Lerdo Jail just north of Bakersfield and sat in on some classes. It was moving to hear the men's stories and the struggles they encounter. It was also inspiring to see the enthusiasm of Sheriff Donny Youngblood and his efforts under realignment to work with probation, the district attorney, local judges and the police to try new ways to deter crime and help offenders straighten out their lives.

Of course there are issues with realignment, but together—with our local partners—we are facing them. We have plenty of work ahead of us, including building more capacity at the state and county level and becoming more effective with those who suffer mental illness or who are drug addicted. But we are on the right track.

In all this, your legislative work—particularly funding—is crucial but we should never lose sight of the reality that life is local and that so many things we try to do here in the State Capitol can only be handled by local representatives and leaders. They deal not with the abstractions of law but with the flesh and blood reality of everyday life. That's a lesson I learned firsthand as mayor of Oakland.

Among all our uncertainties, weather is one of the most basic. We can't control it. We can only live with it, and now we have to live with a very serious drought of uncertain duration.

Right now, it is imperative that we do everything possible to mitigate the effects of the drought. I have convened an Interagency Drought Task Force and declared a State of Emergency. We need everyone in every part of the state to conserve water. We need regulators to rebalance water rules and enable voluntary transfers of water and we must prepare for forest fires. As the State Water Action Plan lays out, water recycling, expanded storage and serious groundwater management must all be part of the mix. So too must be investments in safe drinking water, particularly in disadvantaged communities. We also need wetlands and watershed restoration and further progress on the Bay Delta Conservation Plan.

It is a tall order.

But it is what we must do to get through this drought and prepare for the next.

We do not know how much our current problem derives from the build-up of heat-trapping gasses, but we can take this drought as a stark warning of things to come. The United Nations Panel on Climate Change says—with 95 percent confidence—that human beings are changing our climate. This means more droughts and more extreme weather events, and, in California, more forest fires and less snow pack.

As you know, of all the states, and even of most of the countries of the world, California is the leader in dealing with climate change. From AB 32, to our building and appliance efficiency standards, our renewable portfolio standard and our support of electric vehicles, California is leading the way. Nevertheless, in terms of greenhouse gases, our biggest challenge remains the amount of gasoline Californians use. Each year, our motor vehicles use more than 14 billion gallons of gasoline to travel over 330 billion miles. To put those numbers in perspective, the sun is 93 million miles away. Reducing our oil consumption, two thirds of which is imported by ships and tank cars, will take time, breakthrough technologies and steadfast commitment. It will also require that the countries which burn the most fossil fuel join with us. We've started building those partnerships with other states and countries like China. We will go to Mexico next. California can't do this alone.

In so many other ways, California is a pioneer. We have 25 percent of the nation's foreign born and we are the first state in modern times to have a plurality of families of Latino origin. So it's not surprising that California is the state where immigrants can not only dream—they can drive.

We are also the state of innovation, of Silicon Valley and more venture capital investment than any other state—by far.

We're on our way to a million electric vehicles and we're building the nation's only high-speed rail.

We're expanding health care coverage to millions more. And, California is the nation's leader in developing medical and scientific advances that will cure diseases and lower costs. We have six of America's twelve top-performing metropolitan areas in biotechnology: San Diego, San Jose, San Francisco, Oakland, Los Angeles and Orange County. Last year, we created a tax credit to help innovators, in these regions and beyond, hire and expand in California. Four out of the world's twenty leading academic bioscience institutions are located here in California: UCSF and Berkeley, UCLA, Stanford and UC San Diego. Just as California has led the way with stem cell research, so too can we pioneer the new field of precision medicine which uses genomics, medical devices, computer sciences and other fields to treat individual patients, instead of broad populations.

Yes, California is a leader in so many ways. But, the dangers and difficulties we face can never be taken lightly. We still have too many struggling families, too much debt, and too many unknowns when it comes to our climate. Overcoming these challenges will test our vision, our discipline and our ability to persevere. But overcome them we will and as we do, we will build for the future, not steal from it.

ANNOUNCEMENTS

Speaker Pérez announced the following session schedule:
Thursday, January 23, 2014, Floor Session, 9 a.m.

MOTION TO ADJOURN

At 9:32 a .m., Assembly Member Atkins moved that the Assembly do now adjourn.

Assembly Member Conway seconded the motion.
Motion carried.

QUORUM CALL OF THE ASSEMBLY DISPENSED WITH

At 9:32 a .m., Speaker Pérez declared the quorum call of the Assembly dispensed with.

INTRODUCTION AND FIRST READING OF ASSEMBLY BILLS

The following bills were introduced and read the first time:

ASSEMBLY BILL NO. 1537—Levine. An act to amend Section 65583.2 of the Government Code, relating to land use.

ASSEMBLY BILL NO. 1538—Eggman (Coauthors: Senators Galgiani and Hill). An act to amend Section 69432.7 of the Education Code, relating to student financial aid.

ASSEMBLY BILL NO. 1539—Hagman. An act to add Section 60605.4 to the Education Code, relating to content standards.

The following resolutions were offered:

ASSEMBLY CONCURRENT RESOLUTION NO. 85—Muratsuchi and Yamada (Coauthors: Bonta, Chau, Fong, Pan, Ting, and Williams) (Coauthors: Senators Lieu, Liu, and Yee). Relative to a Day of Remembrance.

HOUSE RESOLUTION NO. 27—Chau. Relative to California Data Privacy Day.

**REPORTS OF STANDING COMMITTEES
Committee on Banking and Finance**

Date of Hearing: January 21, 2014

Mr. Speaker: Your Committee on Banking and Finance reports:
Assembly Bill No. 129

With amendments with the recommendation: Amend, and do pass as amended.

DICKINSON, Chair

Above bill ordered to second reading.

ADJOURNMENT

At 3 p.m., pursuant to the motion by Assembly Member Atkins, the Assembly adjourned until 9 a.m., Thursday, January 23, 2014.

JOHN A. PÉREZ, Speaker

AMY LEACH, Minute Clerk