

CALIFORNIA LEGISLATURE

2003–04 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Tuesday, February 3, 2004

ONE HUNDRED FORTY-SIXTH SESSION DAY

FOUR HUNDRED TWENTY-NINTH 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
Tuesday, February 3, 2004

The Assembly met at 7 a.m.

Hon. Mervyn M. Dymally, Assembly Member, 52nd District,
presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Assistant Clerk Sue Parker reading.

ROLL CALL

The following were placed upon the morning roll call—73:

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

Quorum present.

At 12:39 p.m., Hon. Patricia Wiggins, 7th District, presiding

REGULAR BUSINESS DISPENSED WITH

By unanimous consent, the regular order of business of the Assembly was dispensed with for this legislative day.

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 Members Leslie, Lieber, and Simitian.

On personal business, and waiving per diem: Assembly Members Campbell and Strickland.

Because of illness: Assembly Members Wolk and Yee.

EXPLANATIONS OF ABSENCE

Pursuant to the Assembly Rules, the following explanations of absence were ordered printed in the Journal:

February 2, 2004

*The Honorable Herb Wesson
Speaker of the State Assembly
State Capitol
Sacramento, California*

Dear Speaker Wesson: I would like to be excused from check-in session on February 3, 2004, due to legislative business in my district.

If you have any questions, please contact my Chief of Staff, Matt Moretti at 319-2022.

Sincerely,

SALLY J. LIEBER, Assembly Member
Twenty-second District

January 26, 2004

*The Honorable Herb J. Wesson, Jr.
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California*

Dear Speaker Wesson,

This is a request to be excused from Check-In Session on Tuesday, February 3, 2004. I have legislative business in the district.

Thank you for your consideration of this request.

Sincerely,

S. JOSEPH SIMITIAN, Assembly Member
Twenty-first District

(NOTE: For letter explaining the absence of Assembly Member Leslie on this day on legislative business pursuant to the Assembly Rules, see Assembly Daily Journal for February 2, 2004.)

REPORTS

The following letter of transmittal was presented by the Chief Clerk and ordered printed in the Journal:

California State Auditor

2003-108.2
January 27, 2004

*The Honorable Speaker of the Assembly
The Honorable Members of the Assembly
of the Legislature of California
State Capitol, Room 3196
Sacramento, California*

Members of the Assembly: As required by the Joint Legislative Audit Committee, the Bureau of State Audits presents its audit report concerning the medical costs related to the workers' compensation insurance system and the extent to which the payment structure has resulted in unacceptably high reimbursement rates.

This report concludes that reforms to the workers' compensation medical payment system mandated by Chapter 639, Statutes of 2003, effective January 1, 2004, will produce substantial savings in the form of lower payments for nonhospital outpatient surgical facilities (surgical

centers) and pharmaceuticals if those reforms are carefully implemented. Our analysis indicates that had similar reforms been in place during 2002, the State Compensation Insurance Fund (State Fund) could have saved anywhere from \$7.8 million to \$8.9 million of the amount it paid to surgical centers for facility fees. These savings represent about 54 percent to 61 percent (with a midpoint of \$8.4 million, or 58 percent) of the payments we were able to analyze. We also calculated that State Fund could have saved another \$18 million (or about 24 percent) on the amount it spent on prescription drugs. These conclusions are based on our review of State Fund payments to surgical centers and payments for pharmaceuticals with sufficient detail to allow for analysis. Certain features of the data contained in State Fund's medical bill review file limited our review to \$14.5 million of the \$43 million in identifiable payments to surgical centers made in 2002. Our analysis was limited because data entered into State Fund's medical bill review file were often incomplete or summarized without retaining unique identifiers, and the database design prevented detailed analysis. Based on our analysis of State Fund's data and the results of an insurer survey conducted by the Division of Workers' Compensation (division), the condition of State Fund's and other insurers' data presents challenges to the division's efforts to develop a comprehensive database of workers' compensation medical information that will allow it to monitor the workers' compensation insurance system and measure the effects of policy changes on the system's performance and costs.

Respectfully submitted,

ELAINE M. HOWLE
State Auditor

Above report referred to the Committee on Insurance.

REPORTS

The following reports were presented by the Chief Clerk:

**2004 Report on the Safe at Home Confidential Address Program
(Pursuant to Government Code Section 6210)**

Above transmitted report, together with letter of transmittal from Kevin Shelley, Secretary of State, dated January 9, 2004, referred by the Speaker to the Committee on Public Safety.

**A Report on Legislation Enacted in 2002
with State-Mandated Local Program Implications
(Pursuant to Government Code Section 17562 (e)(3))**

Above transmitted report, together with letter of transmittal from Michael C. Genest, Chief Deputy Director, Department of Finance, dated January 16, 2004, referred by the Speaker to the Committee on Revenue and Taxation.

**Status of the California Low Cost Automobile Insurance Program
(Pursuant to Insurance Code Section 11629.7 through 11629.85)**

Above transmitted report, together with letter of transmittal from Richard J. Manning, CAARP Regional Director, California Automobile Assigned Risk Plan, dated January 21, 2004, referred by the Speaker to the Committee on Insurance.

**Semi-Annual Report Concerning the
Public Interest Energy Research Program
(May 1, 2003 through October 31, 2003)
(Pursuant to Public Resources Code Section 25620.5(h))**

Above transmitted report, together with letter of transmittal from John L. Geesman, Commissioner and Associate Member, Research, Development and Demonstration Committee, California Energy Commission, dated January 10, 2004, referred by the Speaker to the Committee on Natural Resources.

**Internal Control Certification Report
(Pursuant to Government Code Sections 13400 through 13407)**

Above transmitted report, together with letter of transmittal from David W. Brown, Chief, Fiscal and Information Services, California State Lands Commission, dated December 31, 2003, referred by the Speaker to the Committee on Natural Resources.

**Snapshots of the Past—Portrait of a New Reality—
Achievements in Conservation, Recycling and Groundwater Recharge
Report for 2003**

(Pursuant to Senate Bill 60, Chapter 415, Statutes of 1999)

Above transmitted report, together with letter of transmittal from Kathleen Cole, Legislative Representative, Metropolitan Water District of Southern California, dated January 30, 2004, referred by the Speaker to the Committee on Water, Parks and Wildlife.

**Report on Level of Participation of Business Enterprises
(Pursuant to Public Contract Code Section 10116)**

Above transmitted report, together with letter of transmittal from Nathaniel Sterling, Executive Secretary, California Law Revision Commission dated December 31, 2003, referred by the Speaker to the Committee on Utilities and Commerce.

**Denied Mandates
(Pursuant to Government Code Section 17601)**

Above transmitted report, together with letter of transmittal from Paula Higashi, Executive Director, Commission on State Mandates, dated January 15, 2004, referred by the Speaker to the Committee on Budget.

**Law Revision Commission 2003–2004 Annual Report
(Pursuant to Government Code Sections 8291 and 9795)**

Above transmitted report, together with letter of transmittal from Nathaniel Sterling, Executive Secretary, California Law Revision Commission, dated January 23, 2004, referred by the Speaker to the Committee on Judiciary.

**California Commission on
Health and Safety and Worker's Compensation
2002–2003 Annual Report
(Pursuant to Labor Code Section 77(a))**

Above transmitted report, together with letter of transmittal from Christine Baker, Executive Officer, Commission on Health and Safety and Worker's Compensation, Department of Industrial Relations, dated January 23, 2004, referred by the Speaker to the Committee on Insurance.

**Certified Disabled Veteran Business Enterprise (DVBE)
Small Business Contracting Activity and/or
Race, Ethnicity, and Gender Business Ownership Reports from:**

California Integrated Waste Management Board, Mark Leary, Executive Director, dated January 12, 2004;

California Lottery, Tina Miranda, Business and Community Relations Office, dated January 14, 2004;

Department of Mental Health, Coalinga State Hospital, Roger Boles, Warehouse Manager;

The Office of Real Estate Appraisers, Anthony F. Majewski, Acting Director, dated January 15, 2004;

California Health and Human Services Agency Data Center, John Moise, Director, dated January 6, 2004;

Military Department, Office of the Adjutant General Paul D. Monroe, Jr., Major General, dated January 12, 2004.

Referred by the Speaker to the Committee on Utilities and Commerce.

**Surveys of Local Assessment Procedures
(Pursuant to Government Code, Sections 9795 and 15646)**

Humboldt County, August 2003

Kings County, February 2003

Modoc County, August 2003

Monterey County, January 2003

Napa County, January 2003

Riverside County, July 2003

San Benito County, January 2003

Santa Clara County, December 2003

Ventura County, April 2003

Mariposa County, November 2003

Sutter County, December 2003

Yuba County, December 2003

San Mateo County (Supplemental), August 2003

Alameda County (Supplemental), July 2003

Above transmitted reports, together with letter of transmittal from Timothy W. Boyer, Interim Executive Director, State Board of Equalization, dated January 14, 2004, referred by the Speaker to the Committee on Local Government.

SPECIAL COMMITTEE MEETINGS

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

Higher Education to convene jointly with the Committee on Education, on Tuesday, February 17, 2004, at 2 p.m.;

Public Safety, on Tuesday, February 24, 2004, at 1:30 p.m.;

Select Committee on Air and Water Quality, on Wednesday, February 25, 2004, at 9:30 a.m., in Room 126 or 127;

Banking and Finance, on Wednesday, March 3, 2004, at 9:30 a.m.;

Select Committee on Urban Youth, on Friday, March 5, 2004, at 10 a.m., in Paramount.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, February 3, 2004

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

Assembly Concurrent Resolution No. 160

Assembly Concurrent Resolution No. 165

And reports the same correctly engrossed.

E. DOTSON WILSON, Chief Clerk

Above resolutions ordered on file.

**INTRODUCTION AND FIRST READING OF
ASSEMBLY BILLS**

The following bills were introduced and read the first time:

ASSEMBLY BILL NO. 1867—Vargas. An act to amend Section 1281 of the Unemployment Insurance Code, relating to unemployment insurance.**ASSEMBLY BILL NO. 1868—Vargas.** An act relating to the Department of Insurance.**ASSEMBLY BILL NO. 1869—Maldonado.** An act to amend Section 6380 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.**ASSEMBLY BILL NO. 1870—Maldonado.** An act to amend Sections 17314, 17314.1, 17332, and 17345.1 of the Financial Code, relating to financial institutions.**ASSEMBLY BILL NO. 1871—Nakano.** An act to amend Sections 12412.1 and 13337 of the Government Code, relating to the state budget.**ASSEMBLY BILL NO. 1872—Nakano.** An act to add Section 60205 to the Education Code, relating to instructional materials.**ASSEMBLY BILL NO. 1873—Hancock.** An act to amend Sections 42023.1, 42023.2, 42023.4, 42023.5, and 42023.6 of, and to repeal Section 42023.3 of, the Public Resources Code, relating to solid waste, and making an appropriation therefor.**ASSEMBLY BILL NO. 1874—Cohn.** An act to add Section 7915 to the Public Utilities Code, relating to telecommunications.**ASSEMBLY BILL NO. 1875—Maldonado.** An act to amend Sections 3526, 3529, 3531, 3533, 3534, and 3538 of the Government Code, relating to state employees.**ASSEMBLY BILL NO. 1876—Chan (Coauthors: Hancock and Nation).** An act to amend Sections 115875, 115880, 115890, and 115915 of, and to repeal Section 115900 of, the Health and Safety Code, relating to public beaches.**AUTHOR'S AMENDMENTS
Committee on Public Safety**

February 3, 2004

Mr. Speaker: The Chair of your Committee on Public Safety reports:

Senate Bill No. 631

With author's amendments with the recommendation: Amend, and re-refer to the committee.

LENO, Chair

SENATE BILL NO. 631—An act to amend Section 13903 of the Government Code, and to amend Sections 290.01, 290.4, 1202.45, and 1214 of, to amend, repeal, and add Sections 1202.4 and 2085.5 of, and to add Sections 290.45 and 1202.44 to, the Penal Code, relating to criminal offenders, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Bill read second time; author's amendments, presented pursuant to Assembly Rules, read and adopted; bill ordered reprinted, and to be re-referred to the committee.

REPORTS OF STANDING COMMITTEES**Committee on Transportation**

Date of Hearing: February 2, 2004

Mr. Speaker: Your Committee on Transportation reports:

Assembly Bill No. 1618

With the recommendation: That the Senate amendments be concurred in.

DUTRA, Chair

Above bill ordered to unfinished business.

ADJOURNMENT

At 3 p.m., the Assembly adjourned until 7 a.m., Wednesday,
February 4, 2004.

HERB J. WESSON, JR., Speaker

PAM CAVILEER, Minute Clerk

AMENDMENTS CONSIDERED BY THE ASSEMBLY ON FEBRUARY 3, 2004

The following measure was amended in the Assembly on this day:

SB RN

631 0400213

Daily Total: 1

Cumulative Total: 3159

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