

CALIFORNIA LEGISLATURE

1997-98 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Friday, August 21, 1998

TWO HUNDRED SIXTIETH SESSION DAY

SIX HUNDRED TWENTY-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
Friday, August 21, 1998

The Assembly met at 8:05 a.m.

Hon. Sheila James Kuehl, Speaker pro Tempore of the Assembly, presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Assistant Clerk Sue Parker reading.

ROLL CALL

The roll was called.

Quorum Call of the Assembly

Assembly Member Washington moved a quorum call of the Assembly.

Motion carried. Time, 8:06 a.m.

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

Quorum Present

At 8:25 a.m., Speaker pro Tempore Kuehl declared a quorum of the Assembly present.

The roll call was completed, and the following answered to their names—74:

Ackerman	Cunneen	Leach	Pringle
Aguiar	Davis	Lempert	Richter
Alby	Ducheny	Leonard	Runner
Alquist	Escutia	Margett	Scott
Aroner	Figueroa	Mazzoni	Shelley
Ashburn	Firestone	McClintock	Strom-Martin
Baca	Floyd	Migden	Sweeney
Battin	Frusetta	Miller	Thompson
Baugh	Gallegos	Morrissey	Thomson
Bordonaro	Goldsmith	Morrow	Torlakson
Bowen	Granlund	Murray	Vincent
Bowler	Havice	Napolitano	Washington
Brewer	Hertzberg	Olberg	Wayne
Brown	Honda	Oller	Wildman
Bustamante	House	Ortiz	Woods
Campbell	Kaloogian	Pacheco	Wright
Cardenas	Keeley	Papan	Mr. Speaker
Cardoza	Knox	Poochigian	
Cedillo	Kuehl	Prenter	

PRAYER

Upon invitation of Speaker pro Tempore Kuehl, the following prayer was offered by Rev. Constantine C. Pappademos, Pastor of Saint Katherine Greek Orthodox Church:

Father in Heaven, Our needs are many, but our greatest need is of You. You have created us and given us life; and so, our heart is restless until it abides in You. We pray this morning, Lord, that You grant us a sense of Your presence in all that we do. Fill us with Your peace and Your power and guide our feet in the paths of righteousness.—AMEN.

PLEDGE OF ALLEGIANCE TO THE FLAG

Upon request of Speaker pro Tempore Kuehl, Assembly Member Shelley 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 Frusetta, seconded by Assembly Member Shelley.

LEAVES OF ABSENCE FOR THE DAY

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

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

To attend a funeral: Assembly Member Martinez.

Because of illness: Assembly Member Takasugi.

Because of illness in their families: Assembly Members Baldwin and Perata.

Because of a death in his family: Assembly Member Machado.

COMMUNICATIONS

The following communications were presented by the Chief Clerk and ordered printed in the Journal:

Explanation of Vote—Assembly Bill No. 1617

August 21, 1998

E. Dotson Wilson

*Chief Clerk of the Assembly
State Capitol—Room 3196*

Dear Dotson: When the roll call vote was taken on Assembly Bill No. 1617, Item 16, on August 20, 1998, I changed my vote from “No” to “Not Voting” and due to the lateness of the day and in order to meet other obligation in a timely manner, I failed to make the voice vote change.

I would like the record to clearly reflect my intention to have been recorded as “Not Voting”.

Sincerely,

MIKE HONDA, Assembly Member
Twenty-third District

Explanation of Vote—Assembly Bill No. 1617

E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol—Room 3196

Dear Dotson: When the roll call vote was taken on Assembly Bill No. 1617 (Baca) on August 20, 1998, I inadvertently voted “No” and it was my intention to have been recorded as “Not Voting”. I did not have an opportunity to announce my vote change at the conclusion of the session but would like the record to clearly reflect my intention on this measure.

GIL CEDILLO, Assembly Member
 Forty-sixth District

Explanation of Vote—Assembly Bill No. 2134

E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol—Room 3196

Dear Dotson: When the roll call vote was taken on August 20, 1998, on Assembly Bill No. 2134 (Escutia) I inadvertently voted “No”. Although, I did not announce my vote change at the conclusion of the session, I would like the record to reflect my intention to have been recorded “Aye” on this measure.

GIL CEDILLO, Assembly Member
 Forty-sixth District

ADJOURN IN MEMORY

Speaker pro Tempore Kuehl was granted unanimous consent that when the Assembly adjourns on this day it do so out of respect to the memory of Linda Harvey, of Sacramento.

REQUEST FOR PHOTOGRAPHER

Assembly Member Oller was granted unanimous consent that a photographer be permitted on the Floor of the Assembly.

ADJOURN IN MEMORY

Assembly Member Pringle was granted unanimous consent that when the Assembly adjourns on this day it do so out of respect to the memory of Michael C. Bartos, of Orangevale.

MOTION BY ASSEMBLY MEMBER HOUSE

Assembly Member House moved that the Senate be requested to return Senate Bill No. 1021 to the Assembly for deliberation and vote.

Motion Ruled Out of Order

Speaker pro Tempore Kuehl ruled the motion out of order as the Assembly has no control of a measure when it is in the other House and no longer in its possession.

Parliamentary Inquiry

Is it not in order to request the Senate to return a bill to the Assembly?

Reply by Speaker pro Tempore Kuehl

The Speaker pro Tempore replied that Senate Bill No. 1021 passed the Assembly on the Consent Calendar. A measure may be removed from the Consent Calendar by any Member, pursuant to the Rules, whereupon it is debated and voted upon.

Motion by Assembly Member House Restated

Assembly Member House's motion that the Senate be requested to return Senate Bill No. 1021 to the Assembly for deliberation and vote was re-stated by the Chair.

Motion seconded by Assembly Member Morrissey.

Vote Announced

Speaker pro Tempore Kuehl announced the House motion carried by a voice vote of the Assembly.

Roll Call Demanded

Assembly Member McClintock demanded a roll call.

Reply by Speaker pro Tempore Kuehl

Speaker pro Tempore Kuehl replied that she had announced the adoption of Assembly Member House's motion.

Point of Order

Assembly Member McClintock arose to the following point of order: Under the Rules, any Member may request a roll call vote of the House if there is doubt as to the vote.

Ruling by Speaker pro Tempore Kuehl

Speaker pro Tempore Kuehl ruled that a roll call may be demanded by 3 Members of the House.

Roll Call Demanded

Assembly Members McClintock, Morrissey, and Baugh, demanded a roll call.

Parliamentary Inquiry

Is it in order to place a Call of the Assembly if the motion by Assembly Member House prevails?

Reply by Speaker pro Tempore Kuehl

Speaker pro Tempore Kuehl replied in the affirmative. A Member may move a call of the Assembly on any vote.

The roll was opened.

Call of the Assembly

Pending the announcement of the vote, Assembly Member Papan moved a call of the Assembly.

Motion carried. Time, 8:46 a.m.

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

REQUEST FOR UNANIMOUS CONSENT TO PRINT IN JOURNAL

Assembly Member Morrissey was granted unanimous consent that the following communication be printed in the Journal:

August 19, 1998

Chief Clerk

California State Assembly

State Capitol

Sacramento, California

Dear Mr. Wilson: Senate Bill 1021 passed off the Assembly Floor on August 18, 1998. The bill was placed on the consent file and passed 74–0. This bill would allow lawmakers who previously served as legislative aides to count their service toward their legislative pensions. Pensions were repealed in 1990 for lawmakers who were first elected in 1990 or later.

The analysis provided for this bill was incorrect and thus the bill should not have gone out on consent. Had the analysis been correct, I would have voted “no” on the bill.

I respectfully request that this letter be printed in the Journal.

Sincerely,

JIM MORRISSEY, Assembly Member
Sixty-ninth District

SPECIAL RECOGNITION

The Members of the Assembly joined in extending best wishes to Assembly Member Alquist on the occasion of her birthday.

ADJOURN IN MEMORY

Assembly Member Cardenas was granted unanimous consent that when the Assembly adjourns on this day it do so out of respect to the memory of Arlene King Davis, of Pocomo.

GOVERNOR’S VETO STRICKEN FROM FILE

Assembly Member Thomson was granted unanimous consent that the Governor’s veto of Assembly Bill No. 2020 be stricken from file.

CONSIDERATION OF DAILY FILE
SENATE BILLS RETURNED TO SECOND READING FILE
PURSUANT TO THE RULES

Pursuant to the Assembly Rules, the following Senate bill was this day on the second reading file:

Senate Bill No. 1466, ordered to third reading.

SECOND READING OF SENATE BILLS

SENATE BILL NO. 218—An act to amend Section 203 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 234—An act to amend Sections 20017 and 20178 of, and to repeal and add Section 21337 of, the Government Code, relating to the Public Employees' Retirement System, and making an appropriation therefor.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 324—An act to amend Section 2052 of the Business and Professions Code, relating to medicine.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 473—An act to amend Section 1442.5 of, and to add Sections 1442.6 and 32121.15 to, the Health and Safety Code, relating to health.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 557—An act to amend Section 1626 of, and to add Section 2052.1 to, the Business and Professions Code, relating to healing arts.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 645—An act to amend Section 361.3 of, and to add Sections 324.5 and 361.4 to, the Welfare and Institutions Code, relating to children.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 715—An act to amend Sections 21080.5, 21083, and 21159.9 of, and to add Section 21081.8 to, the Public Resources Code, relating to environmental quality.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 822—An act to add Chapter 3 (commencing with Section 2050) to Division 2.5 of the Welfare and Institutions Code, relating to youth.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1099—An act to add Section 14085.54 to the Welfare and Institutions Code, relating to human services.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1406—An act to add Section 3212.8 to the Labor Code, relating to workers' compensation.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1520—An act to amend Section 631.3 of the Code of Civil Procedure, and to repeal Section 27081.5 of the Government Code, relating to jury fees.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1522—An act to amend Sections 8277.5 and 8277.6 of the Education Code, relating to child care and development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1528—An act to add Section 22226 to the Education Code, relating to the State Teachers' Retirement System, and making an appropriation therefor.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1610—An act to amend Section 1776 of, and to add Article 6 (commencing with Section 1870) to Chapter 1 of Part 7 of Division 2 of, the Labor Code, relating to public works.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1611—An act to amend Section 354I of the Government Code, relating to public employees.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1642—An act to add Section 22790.6 to the Government Code, and to add Section 14016.8 to the Welfare and Institutions Code, relating to health.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1647—An act to add Section 1367.63 to the Health and Safety Code, to add Section 10123.88 to the Insurance Code, and to add Section 14132.62 to the Welfare and Institutions Code, relating to reconstructive surgery.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1658—An act to amend Section 1345 of, and to add Section 1351.2 to, the Health and Safety Code, relating to health care service plans.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1665—An act to add Section 74265 to the Education Code, relating to postsecondary education.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1666—An act to amend Sections 69560, 69561, 69562, 69563, 69564, and 69566 of, and to repeal Section 69567 of, the Education Code, relating to the Student Opportunity and Access Program.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1689—An act to add and repeal Chapter 2.25 (commencing with Section 1399.80) of Division 2 of the Health and Safety Code, relating to health coverage.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1737—An act relating to the Bipartisan Commission on the Political Reform Act of 1974.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1740—An act to add Article 8 (commencing with Section 66090) to Chapter 2 of Part 40 of the Education Code, relating to service learning for postsecondary students.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1742—An act to add and repeal Section 15318 of the Government Code, relating to the Alameda Corridor.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1754—An act to add Section 44011.3 to the Health and Safety Code, and to amend Sections 4000.3 and 25108 of the Vehicle Code, relating to air resources.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1763—An act to amend Sections 3008, 3202, 3204, 3205, 3205.5, 3206, and 3258 of the Public Resources Code, relating to oil and gas wells, and making an appropriation therefor.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1770—An act to add Section 54761.3 to the Education Code, relating to school finance.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1827—An act to amend Sections 4501.1, 7516.5, and 7555 of the Penal Code, relating to prisoners.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1857—An act to amend Section 44299.1 of the Health and Safety Code, relating to air quality, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1878—An act to amend Section 190.2 of the Penal Code, relating to murder, and calling an election to be consolidated with the November 3, 1998, general election, to take effect immediately.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1900—An act to amend Sections 1170, 1170.1, 1170.13, 1170.15, and 1170.95 of the Penal Code, relating to sentencing.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1927—An act to add Section 1054.8 to the Penal Code, relating to criminal procedure.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 1973—An act to amend Sections 128695, 128700, 128725, 128735, 128755, 128760, 128782, and 128815 of, to amend, add, and repeal Section 127280 of, and to add Sections 128681, 128736, 128737, 128738, and 128812 to, the Health and Safety Code, relating to health data, and making an appropriation therefor.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2045—An act to amend Section 17017.9 of the Education Code, relating to school facilities.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2070—An act to amend Sections 14009.5 and 14015 of the Welfare and Institutions Code, relating to health.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2092—An act to add Section 14005.22 to the Welfare and Institutions Code, relating to Medi-Cal.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2116—An act to amend Section 290 of, to add Section 11055 to, and to add and repeal Section 290.01 of, the Penal Code, relating to sex offender registration.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2177—An act to amend Section 8353 of the Education Code, and to amend Section 11323.2 of the Welfare and Institutions Code, relating to welfare reform.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2239—An act to amend Sections 120, 125.7, 1621.1, 1632, 1633.5, 1763, 2067, 2103, 2225.5, 2239, 2242, 2350, 2355, 3512, 3516.5, 3517, 3519, 3520, 3521.2, 3523, 3524, 3526, 3527, 3528, 3530, 3534.1, 3534.3, 4301, 4322, 5053, 5055, 5056, 5060, 5070.6, 5072, 5073, 5104, 5134, 7622.3, 7651, 8742, 8773.1, 8773.2, and 13660 of, to add Sections 4301.5 and 5058.1 to, and to repeal Sections 1621.2, 5059, 5070.1, 5071, 5074, 5075, 5076, and 5153 of, the Business and Professions Code, to amend Sections 11371 and 11529 of the Government Code, and to amend Section 11166 of, and to repeal and add Section 11167 of, the Health and Safety Code, relating to professions and vocations.

Bill read second time, and ordered to third reading.

SENATE BILL NO. 2241—An act to amend Sections 49520 and 49521 of, and to add Section 49501.3, 49501.5, and 49524 to, the Public Resources Code, relating to solid waste, and declaring the urgency thereof, to take effect immediately.

Bill read third time, and ordered to third reading.

SENATE BILL NO. 116—An act to add and repeal Section 25619 of the Public Resources Code, and to add and repeal Section 73 of the Revenue and Taxation Code, relating to energy programs.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 378—An act to add and repeal Section 2889.4 of the Public Utilities Code, relating to public utilities.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 487—An act to amend Sections 50880, 50881, 50881.5, 50882, 50887, 50888.3, 50888.5, 50888.7, 50889.5, 50890, 50893.5, 50893.7, and 50895 of, and to repeal Section 50884 of, the Health and Safety Code, relating to housing.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 489—An act to add Section 2166.5 to the Elections Code, and to add Chapter 3.1 (commencing with Section 6205) to Division 7 of Title 1 of the Government Code, relating to public records, and making an appropriation therefor.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 537—An act to add and repeal Section 125001 of the Health and Safety Code, and to add and repeal Section 14132.2 of the Welfare and Institutions Code, relating to health.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 591—An act to amend Section 12076 of the Penal Code, and to amend Sections 6011 and 6012 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 619—An act to amend Section 10856 of the Revenue and Taxation Code, and to amend Sections 4456 and 9553 of the Vehicle Code, relating to vehicles.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 648—An act to add Sections 10354.1, 10354.2, 10354.3, and 10354.4 to the Public Contract Code, relating to personal services contracts.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 694—An act to add Part 7 (commencing with Section 122400) to Division 105 of the Health and Safety Code, relating to hepatitis.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 956—An act to add Section 1348 to the Health and Safety Code, relating to insurance.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1194—An act to amend Section 14087.325 of the Welfare and Institutions Code, relating to public social services

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1403—An act to amend Section 27491.47 of the Government Code, to amend Sections 7055 and 7151.5 of the Health and Safety Code, and to amend Sections 12811 and 13005 of, and to add Section 1672.5 to, the Vehicle Code, relating to anatomical gifts.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1412—An act to amend Sections 48980, 60119, 60242, 60242.5, and 60248 of, to add Section 60240.5 to, to add Article 1.5 (commencing with Section 60007) to Chapter 1 of, and to add and repeal Chapter 3.5 (commencing with Section 60425) of Chapter 2 of, Part 33 of, the Education Code, relating to education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1468—An act to amend Sections 2550.3, 35120, 42238, 42238.5, 42238.7, 42238.8, 42238.9, 42243.7, 42280, 42281, 42282, 42283, 42284, 42285, 46010, 46305, 48205, 48664, 48980, 49067, 52335.2, 56836.08, 56836.10, 56836.11, 56836.12, 56836.15, and 56836.24 of, and to add Section 42289.5 to, the Education Code, and to amend Section 8880.5 of the Government Code, relating to school revenue limits, and declaring the urgency thereof, to take effect immediately.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1481—An act to amend Sections 44031 and 87031 of the Education Code, relating to school and community college employees.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1485—An act to add and repeal Article 4 (commencing with Section 6045) of Chapter 5 of Title 7 of Part 3 of the Penal Code, relating to mentally ill criminal offenders.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1540—An act to amend Sections 1505, 11834.01, 11834.02, 11834.09, 11834.10, 11834.17, 11834.18, 11834.20, 11834.21, 11834.22, 11834.23, 11834.24, 11834.25, 11834.26, 11834.29, 11834.30, 11834.31, 11834.32, 11834.36, and 11834.50 of, and to add Sections 1520.4, 11834.11, and 11834.265 to, the Health and Safety Code, relating to residential facilities.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1701—An act to amend Section 51745 of the Education Code, and to amend Section 11322.6 of, and to add Section 1120.3 to, and to add Article 3.7 (commencing with Section 11340) to Chapter 2 of Part 3 of Division 9 of, the Welfare and Institutions Code, relating to juveniles.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1715—An act to amend Sections 237 and 368 of the Penal Code, to amend Section 2583 of, to amend the heading of Part 7 (commencing with Section 250) of Division 2 of, and to add Section 259 to, the Probate Code, relating to elder abuse.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1768—An act to amend, repeal, and add Section 2033.5 of the Code of Civil Procedure, and to amend Section 11177.2 of, and to amend, repeal, and add Sections 987, 1202.4, and 1214 of, the Penal Code, relating to criminal restitution.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1829—An act to add Section 42249.7 to the Education Code, relating to school desegregation.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1856—An act to add Section 4582.65 to the Public Resources Code, relating to forest practices.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1879—An act to amend Section 20093 of, and to add Chapter 8 (commencing with Section 16649.200) to Part 2 of Division 4 of Title 2 of, the Government Code, relating to state government.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1897—An act to amend Section 16500.5 of, and to add Section 16500.51 to, the Welfare and Institutions Code, relating to child welfare services.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1923—An act to add Title 7.75 (commencing with Section 67470) to the Government Code, to add Chapter 4.6 (commencing with Section 33498) to Part 1 of Division 24 of the Health and Safety Code, and to add Sections 17049 and 23005 to the Revenue and Taxation Code, relating to state government, and making an appropriation therefor.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1941—An act to add Section 39518 to the Health and Safety Code, relating to air pollution.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1947—An act to add Sections 68099.5 and 68550 to the Government Code, relating to courts.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1955—An act to add Section 12315 to the Welfare and Institutions Code, relating to public social services.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 1999—An act to amend Sections 316, 340, 1000, 1001, 1201, 1202, 6020, 6041, 6061, 6084, 6086, 6122, 6180, 6320, 6323, 6340, 6343, 6520, 6523, 6540, 6543, 6568, 6721, 6722, 6725, 6740, 6742, 6743, 6787, and 6952 of the Elections Code, relating to presidential primaries.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 2042—An act to amend Sections 44259 and 44277 of, to add Section 44320.2 to, to repeal Section 44259.2 of, and to repeal and add Section 44259.1 of, the Education Code, relating to school employees.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 2083—An act relating to state employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 2196—An act to amend Sections 15365.53, 15365.55, and 15365.57 of the Government Code, relating to employment services.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 2224—An act to add Section 24313 to the Education Code, relating to the State Teachers' Retirement System, and making an appropriation therefor.

Bill read second time; amendments proposed by the Committee on Appropriations read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 256—An act to amend Section 65588 of the Government Code, relating to local planning.

Bill read second time and ordered to third reading.

SENATE BILL NO. 1696—An act amend Sections 25658 and 25659 of the Business and Professions Code, relating to alcoholic beverages.

Bill read second time; amendments proposed by the Committee on Governmental Organization read and adopted, bill ordered reprinted and to be returned to the second reading file.

SENATE BILL NO. 25—An act to amend Sections 19805, 19842, and 19842A of the Business and Professions Code, and to amend Section 62 of Chapter 867 of the Statutes of 1997, relating to gambling establishments.

Bill read second time; amendments proposed by the Committee on Governmental Organization read and adopted, bill ordered reprinted and to be re-referred to the Committee on Appropriations.

CONSIDERATION OF DAILY FILE (RESUMED)

UNFINISHED BUSINESS

CONSIDERATION OF SENATE AMENDMENTS

ASSEMBLY BILL NO. 425 (Baldwin)—An act to add Sections 81149 and 81530.5 to the Education Code, relating to community colleges.

Bill presented by Assembly Member Thompson.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—73

Ackerman	Cunneen	Lempert	Richter
Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	McClintock	Strom-Martin
Ashburn	Firestone	Migden	Sweeney
Baca	Frusetta	Miller	Thompson
Battin	Gallegos	Morrissey	Thomson
Baugh	Goldsmith	Morrow	Torlakson
Bordonaro	Granlund	Murray	Vincent
Bowen	Havice	Napolitano	Washington
Bowler	Hertzberg	Olberg	Wayne
Brewer	Honda	Oller	Wildman
Brown	House	Ortiz	Woods
Bustamante	Kaloogian	Pacheco	Wright
Campbell	Keeley	Papan	Mr. Speaker
Cardenas	Knox	Poochigian	
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	

NOES—None

Above bill ordered enrolled.

ASSEMBLY BILL NO. 431 (Baldwin)—An act to amend Section 48915 of the Education Code, relating to pupil expulsion.

Bill presented by Assembly Member Leonard.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—70

Ackerman	Cunneen	Lempert	Pringle
Aguiar	Davis	Leonard	Richter
Alby	Ducheny	Margett	Runner
Alquist	Escutia	Mazzoni	Scott
Aroner	Figueroa	McClintock	Shelley
Ashburn	Firestone	Migden	Strom-Martin
Baca	Frusetta	Miller	Sweeney
Battin	Gallegos	Morrissey	Thompson
Baugh	Goldsmith	Morrow	Thomson
Bordonaro	Granlund	Murray	Torlakson
Bowen	Havice	Napolitano	Vincent
Bowler	Hertzberg	Olberg	Wayne
Brewer	Honda	Oller	Wildman
Brown	House	Ortiz	Woods
Bustamante	Kaloogian	Pacheco	Wright
Campbell	Keeley	Papan	Mr. Speaker
Cardoza	Knox	Poochigian	
Cedillo	Leach	Prenter	

NOES—None

Above bill ordered enrolled.

ASSEMBLY BILL NO. 2039 (Baugh)—An act to add Section 22061 to the Financial Code, relating to finance lenders.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—73

Ackerman	Cunneen	Lempert	Richter
Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	McClintock	Strom-Martin
Ashburn	Firestone	Migden	Sweeney
Baca	Frusetta	Miller	Thompson
Battin	Gallegos	Morrissey	Thomson
Baugh	Goldsmith	Morrow	Torlakson
Bordonaro	Granlund	Murray	Vincent
Bowen	Havice	Napolitano	Washington
Bowler	Hertzberg	Olberg	Wayne
Brewer	Honda	Oller	Wildman
Brown	House	Ortiz	Woods
Bustamante	Kaloogian	Pacheco	Wright
Campbell	Keeley	Papan	Mr. Speaker
Cardenas	Knox	Poochigian	
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	

NOES—None

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1225 (Granlund)—An act to amend Sections 27491.4, 27491.41, and 27491.47 of the Government Code, to amend Section 7150.5 of, and to add Chapter 3.55 (commencing with Section 7158) to Part 1 of Division 7 of, the Health and Safety Code, relating to health.

Bill presented by Assembly Member Aguiar.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—69

Ackerman	Cunneen	Leonard	Runner
Aguiar	Davis	Margett	Scott
Alby	Ducheny	Mazzoni	Shelley
Alquist	Escutia	McClintock	Strom-Martin
Aroner	Figueroa	Migden	Sweeney
Ashburn	Firestone	Miller	Thompson
Baca	Frusetta	Morrissey	Thomson
Battin	Gallegos	Murray	Torlakson
Baugh	Goldsmith	Napolitano	Vincent
Bordonaro	Granlund	Olberg	Washington
Bowen	Havice	Oller	Wayne
Bowler	Hertzberg	Ortiz	Wildman
Brown	House	Pacheco	Woods
Bustamante	Kaloogian	Papan	Wright
Campbell	Keeley	Poochigian	Mr. Speaker
Cardenas	Knox	Prenter	
Cardoza	Kuehl	Pringle	
Cedillo	Lempert	Richter	

NOES—1

Morrow

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1439 (Granlund)—An act to add Article 7.5 (commencing with Section 680) to Chapter 1 of Division 2 of the Business and Professions Code, to add Sections 1221 and 1273 to the Health and Safety Code, and to amend Section 5251 of the Welfare and Institutions Code, relating to health.

Bill presented by Assembly Member Baugh.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—69

Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	Migden	Strom-Martin
Ashburn	Firestone	Miller	Sweeney
Baca	Frusetta	Morrissey	Thompson
Battin	Gallegos	Morrow	Thomson
Baugh	Goldsmith	Murray	Torlakson
Bordonaro	Granlund	Napolitano	Vincent
Bowen	Havice	Olberg	Washington
Bowler	Hertzberg	Oller	Wayne
Brewer	Honda	Ortiz	Wildman
Brown	House	Pacheco	Woods
Bustamante	Keeley	Papan	Wright
Cardenas	Knox	Poochigian	Mr. Speaker
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	
Cunneen	Lempert	Richter	

NOES—4

Ackerman	Campbell	Kaloogian	McClintock
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Vote Changes

By unanimous consent, the following vote change was permitted on concurrence in Senate amendments to Assembly Bill No. 1439: Assembly Member Baugh from “No” to “Aye”.

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1780 (Murray)—An act to amend Sections 15630 and 15633 of, and to add Section 15653.5 to, the Welfare and Institutions Code, relating to elder abuse.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—69

Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	Migden	Strom-Martin
Ashburn	Firestone	Miller	Sweeney
Baca	Frusetta	Morrissey	Thompson
Battin	Gallegos	Morrow	Thomson
Bordonaro	Goldsmith	Murray	Torlakson
Bowen	Granlund	Napolitano	Vincent
Bowler	Havice	Olberg	Washington
Brewer	Hertzberg	Oller	Wayne
Brown	Honda	Ortiz	Wildman
Bustamante	House	Pacheco	Woods
Campbell	Keeley	Papan	Wright
Cardenas	Knox	Poochigian	Mr. Speaker
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	
Cunneen	Lempert	Richter	

NOES—4

Ackerman	Baugh	Kaloogian	McClintock
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Above bill ordered enrolled.

ASSEMBLY BILL NO. 2674 (Cardenas)—An act to amend Section 23166 of the Vehicle Code, relating to driving under the influence.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—73

Ackerman	Cunneen	Lempert	Richter
Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	McClintock	Strom-Martin
Ashburn	Firestone	Migden	Sweeney
Baca	Frusetta	Miller	Thompson
Battin	Gallegos	Morrissey	Thomson
Baugh	Goldsmith	Morrow	Torlakson
Bordonaro	Granlund	Murray	Vincent
Bowen	Havice	Napolitano	Washington
Bowler	Hertzberg	Olberg	Wayne
Brewer	Honda	Oller	Wildman
Brown	House	Ortiz	Woods
Bustamante	Kaloogian	Pacheco	Wright
Campbell	Keeley	Papan	Mr. Speaker
Cardenas	Knox	Poochigian	
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	

NOES—None

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1724 (Richter)—An act to add Section 11462.12 to the Welfare and Institutions Code, relating to human services, and making an appropriation therefor.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—71

Ackerman	Cedillo	Kuehl	Prenter
Aguiar	Cunneen	Leach	Pringle
Alby	Davis	Lempert	Richter
Alquist	Ducheny	Leonard	Runner
Aroner	Escutia	Margett	Scott
Ashburn	Figueroa	Mazzoni	Shelley
Baca	Firestone	McClintock	Strom-Martin
Battin	Frusetta	Migden	Sweeney
Baugh	Gallegos	Miller	Thompson
Bordonaro	Goldsmith	Morrissey	Thomson
Bowen	Granlund	Morrow	Torlakson
Bowler	Havice	Murray	Vincent
Brewer	Hertzberg	Napolitano	Wayne
Brown	Honda	Olberg	Wildman
Bustamante	House	Oller	Woods
Campbell	Kaloogian	Ortiz	Wright
Cardenas	Keeley	Papan	Mr. Speaker
Cardoza	Knox	Poochigian	

NOES—None

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1927 (Morrow)—An act to amend Sections 290, 679.02, and 1203.1 of the Penal Code, relating to sex offenders.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—65

Ackerman	Cardoza	Kuehl	Pringle
Aguiar	Cunneen	Leach	Richter
Alby	Davis	Lempert	Runner
Alquist	Ducheny	Leonard	Scott
Aroner	Escutia	Mazzoni	Strom-Martin
Ashburn	Figueroa	McClintock	Sweeney
Baca	Firestone	Miller	Thompson
Battin	Frusetta	Morrissey	Thomson
Baugh	Gallegos	Morrow	Torlakson
Bordonaro	Goldsmith	Murray	Wayne
Bowen	Granlund	Napolitano	Wildman
Bowler	Havice	Olberg	Woods
Brewer	Hertzberg	Oller	Wright
Brown	House	Ortiz	Mr. Speaker
Bustamante	Kaloogian	Pacheco	
Campbell	Keeley	Poochigian	
Cardenas	Knox	Prenter	

NOES—1

Migden

Above bill ordered enrolled.

ASSEMBLY CONCURRENT RESOLUTION NO. 92 (Morrow)—Relative to historic U.S. Highway Route 101.

The question being: Shall the Assembly concur in the Senate amendments to the above resolution?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—70

Ackerman	Cunneen	Lempert	Richter
Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	McClintock	Strom-Martin
Ashburn	Firestone	Migden	Sweeney
Baca	Frusetta	Miller	Thompson
Battin	Gallegos	Morrissey	Thomson
Baugh	Goldsmith	Morrow	Torlakson
Bordonaro	Granlund	Murray	Vincent
Bowen	Havice	Napolitano	Washington
Bowler	Hertzberg	Olberg	Wayne
Brewer	House	Oller	Wildman
Brown	Kaloogian	Ortiz	Woods
Bustamante	Keeley	Pacheco	Wright
Campbell	Knox	Poochigian	Mr. Speaker
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	

NOES—None

Above resolution ordered enrolled.

THIRD READING OF ASSEMBLY BILLS

ASSEMBLY CONCURRENT RESOLUTION NO. 186 (Alquist)—Relative to state personnel administration.

Resolution read and adopted.

Resolution ordered transmitted to the Senate.

THIRD READING OF SENATE BILLS

SENATE BILL NO. 1229 (Schiff)—An act to amend Sections 594.6 and 640.7 of, and to amend, repeal, and add Section 594 of, and to amend, repeal, and add Section 594 of, the Penal Code, relating to vandalism.

Bill read third time, and presented by Assembly Member Gallegos.

Bill passed by the following vote:

AYES—70

Ackerman	Davis	Lempert	Richter
Aguiar	Ducheny	Leonard	Runner
Alby	Escutia	Margett	Scott
Alquist	Figueroa	Mazzoni	Shelley
Aroner	Firestone	McClintock	Strom-Martin
Ashburn	Frusetta	Miller	Sweeney
Baca	Gallegos	Morrissey	Thompson
Battin	Goldsmith	Morrow	Thomson
Baugh	Granlund	Murray	Torlakson
Bordonaro	Havice	Napolitano	Vincent
Bowen	Hertzberg	Olberg	Washington
Bowler	Honda	Oller	Wayne
Brewer	House	Ortiz	Wildman
Brown	Kaloogian	Pacheco	Woods
Bustamante	Keeley	Papan	Wright
Campbell	Knox	Poochigian	Mr. Speaker
Cardoza	Kuehl	Prenter	
Cunneen	Leach	Pringle	

NOES—None

Bill ordered transmitted to the Senate.

BILLS PASSED ON FILE

Senate Bill No. 2082—Passed on file.

CONSIDERATION OF DAILY FILE (RESUMED)

THIRD READING OF SENATE BILLS (RESUMED)

SENATE BILL NO. 704 (Polanco)—An act to amend Section 3260.1 of the Civil Code, relating to contracting.

Bill read third time.

Motion to Amend

Assembly Member Strom-Martin moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1660 (Lewis)—An act to amend Sections 66458, 66462, and 66477.1 of the Government Code, relating to local agencies.

Bill read third time.

Motion to Amend

Assembly Member Ackerman moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1652 (Kopp)—An act to amend Sections 312, 6715, 16728, 22391, and 22443.1 of the Business and Professions Code, to amend Sections 1789.24, 1812.54, 1812.66, 1812.105, 1812.129, 1812.503, 1812.510, 1812.515, 1812.525, and 1812.600 of the Civil Code, to amend Sections 995.710 and 1279 of the Code of Civil Procedure, to amend Section 318 of the Corporations Code, to amend Sections 12511, 18342, and 19420 of the Education Code, to amend Sections 113, 126, 12302, 12402, 23600, 23713, 25004, 34460, 61230, 65584.3, 68083, and 68116 of the Government Code, to amend Sections 2224, 2226, 4739.5, 6501, 13830, 13876, 25395, 32137, 33102, and 34116 of the Health and Safety Code, to amend Sections 9626, 29728, 29731, and 30150 of the Public Resources Code, to amend Sections 7578, 11895, 22258, and 30205 of, and to repeal Sections 7579, 29254, 30944, and 100464 of, the Public Utilities Code, to amend Section 27123 of the Streets and Highways Code, to amend Sections 30321.5, 30322, 30323, 31006, 34501, and 71598 of, and to repeal Section 34503 of, the Water Code, and to amend Sections 10 and 10.2 of Chapter 545 of the Statutes of 1943, relating to the Secretary of State, and making an appropriation therefor.

Bill read third time.

Motion to Amend

Assembly Member Alquist moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1911 (Vasconcellos)—An act to add Section 9101.5 to the Welfare and Institutions Code, relating to aging, and making an appropriation therefor.

Bill read third time.

Motion to Amend

Assembly Member Woods moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 2227 (Monteith)—An act to amend Section 56835 of, and to add Sections 56111.14, 56700.3, 56800.3, 56828.5, 56842.7, 56844.2, 57082.5, and 57330.5 to, the Government Code, relating to local agencies.

Bill read third time, and presented by Assembly Member Thompson.

Bill passed by the following vote:

AYES—73

Ackerman	Cunneen	Lempert	Richter
Aguiar	Davis	Leonard	Runner
Alby	Ducheny	Margett	Scott
Alquist	Escutia	Mazzoni	Shelley
Aroner	Figueroa	McClintock	Strom-Martin
Ashburn	Firestone	Migden	Sweeney
Baca	Frusetta	Miller	Thompson
Battin	Gallegos	Morrissey	Thomson
Baugh	Goldsmith	Morrow	Torlakson
Bordonaro	Granlund	Murray	Vincent
Bowen	Havice	Napolitano	Washington
Bowler	Hertzberg	Olberg	Wayne
Brewer	Honda	Oller	Wildman
Brown	House	Ortiz	Woods
Bustamante	Kaloogian	Pacheco	Wright
Campbell	Keeley	Papan	Mr. Speaker
Cardenas	Knox	Poochigian	
Cardoza	Kuehl	Prenter	
Cedillo	Leach	Pringle	

NOES—None

Bill ordered transmitted to the Senate.

SENATE BILL NO. 971 (Watson)—An act to amend Section 104375 of the Health and Safety Code, relating to disease prevention.

Bill read third time.

Motion to Amend

Assembly Member Miller moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1645 (Mountjoy)—An act to amend Section 14664 of the Government Code, and to amend Section 2 of Chapter 625 of the Statutes of 1991, Section 1 of Chapter 648 of the Statutes of 1992, Section 1 of Chapter 317 of the Statutes of 1993, and Section 1 of Chapter 391 of the Statutes of 1994, relating to state property.

Bill read third time.

Motion to Amend by Assembly Member Havice

Assembly Member Havice moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1980 (Greene)—An act to amend Sections 473, 2602, 2603, 2604, 2607.5, 3010, 3014.5, 3710, 3711, 3712, 3713, 3716, 3775, 3775.1, 3776, 4925, 4928, 4929, 4934, 4935, 4970, 8000, and 8005 of, to amend and repeal Section 2620.5 of, and to add Sections 104 3712.5, 3775.2, and 8006 to, the Business and Professions Code, relating to regulatory boards and committees, and making an appropriation therefor.

Bill read third time.

Motion to Amend

Assembly Member Alquist moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

RE-REFERENCE OF BILLS TO COMMITTEE PURSUANT TO ASSEMBLY RULE 77.2

Pursuant to Assembly Rule 77.2, the Speaker pro Tempore re-referred Assembly Bill No. 2128 to the Committee on Banking and Finance.

BILL RETURNED TO SENATE

Assembly Member Brewer was granted unanimous consent that Assembly Bill No. 2217 be returned to the Senate for further action.

**CONSIDERATION OF DAILY FILE (RESUMED)
THIRD READING OF SENATE BILLS (RESUMED)**

SENATE BILL NO. 280 (Brulte)—An act to add Section 5408.7 to the Business and Professions Code, and to amend Section 4000.37 of the Vehicle Code, relating to highways, and declaring the urgency thereof, to take effect immediately.

Bill read third time.

Motion to Amend

Assembly Member Bowler moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted.

Re-Reference of Bills to Committee Pursuant to Assembly Rule 77.2

Pursuant to Assembly Rule 77.2, the Speaker pro Tempore re-referred Senate Bill No. 280 to the Committee on Public Safety.

**CONSIDERATION OF DAILY FILE (RESUMED)
THIRD READING OF SENATE BILLS (RESUMED)**

SENATE BILL NO. 1430 (Solis)—An act to amend Section 138.7 of the Labor Code, relating to workers' compensation.

Rules Suspended

Assembly Member Brewer was granted unanimous consent that Assembly Rule 69(b) be suspended to permit consideration of proposed amendments to Senate Bill No. 1430.

Bill read third time.

Motion to Amend

Assembly Member Brewer moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 1759 (Ayala)—An act to add Section 1785.135 to the Civil Code, to add Article 6 (commencing with Section 765.010) to Chapter 4 of Title 10 of Part 2 of the Code of Civil Procedure, and to amend Sections 6223 and 27201 of the Government Code, relating to liens and encumbrances.

Bill read third time, and presented by Assembly Member Hertzberg.

Bill passed by the following vote:

AYES—51

Aguiar	Figueroa	Margett	Shelley
Alquist	Floyd	Mazzoni	Strom-Martin
Aroner	Frusetta	Migden	Sweeney
Baca	Gallegos	Miller	Thomson
Brown	Granlund	Morrissey	Torlakson
Bustamante	Havice	Murray	Vincent
Campbell	Hertzberg	Napolitano	Washington
Cardoza	Honda	Ortiz	Wayne
Cedillo	House	Pacheco	Wildman
Cunneen	Keeley	Papan	Woods
Davis	Knox	Prenter	Wright
Ducheny	Kuehl	Richter	Mr. Speaker
Escutia	Lempert	Scott	

NOES—18

Ackerman	Bordonaro	Leach	Poochigian
Alby	Bowler	Leonard	Runner
Ashburn	Brewer	McClintock	Thompson
Battin	Goldsmith	Olberg	
Baugh	Kaloogian	Oller	

Bill ordered transmitted to the Senate.

At 9:54 a.m., Hon. Fred Keeley, 27th District, presiding

SENATE BILL NO. 1908 (Vasconcellos)—An act relating to telecommunications.

Bill read third time, and presented by Assembly Member Alquist.

The roll was opened.

Call of the Assembly

Pending the announcement of the vote, Assembly Member Alquist moved a call of the Assembly.

Motion carried. Time, 10:02 a.m.

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

SENATE BILL NO. 2034 (Lockyer)—An act to amend Section 186.22a of the Penal Code, relating to criminal street gangs.

Bill read third time, and presented by Assembly Member Hertzberg.

Demand for Previous Question

Assembly Members Baca, Wayne, Shelley, Woods, and Campbell demanded the previous question. Demand sustained.

The question being on the passage of the bill.

Bill passed by the following vote:

AYES—44

Aguiar	Cunneen	House	Pacheco
Alby	Davis	Knox	Papan
Alquist	Escutia	Leach	Prenter
Baca	Figueroa	Lempert	Scott
Battin	Firestone	Margett	Shelley
Bordonaro	Frusetta	Miller	Strom-Martin
Bowen	Gallegos	Morrissey	Sweeney
Bowler	Goldsmith	Morrow	Thomson
Brown	Granlund	Napolitano	Torlakson
Bustamante	Havice	Olberg	Wayne
Cardoza	Hertzberg	Ortiz	Wildman

NOES—23

Ackerman	Ducheny	McClintock	Thompson
Aroner	Floyd	Migden	Vincent
Ashburn	Kaloogian	Murray	Washington
Baugh	Keeley	Oller	Woods
Brewer	Leonard	Richter	Wright
Campbell	Mazzoni	Runner	

Vote Changes

By unanimous consent, the following vote change was permitted on Senate Bill No. 2034: Assembly Member Villaraigosa, from “Aye” to “Not Voting”.

Bill ordered transmitted to the Senate.

POINT OF PERSONAL PRIVILEGE

Assembly Member Pacheco arose to a point of personal privilege.

Ruling by Speaker pro Tempore Kuehl

The Speaker pro Tempore ruled the point of personal privilege well-taken.

**CONSIDERATION OF DAILY FILE (RESUMED)
THIRD READING OF SENATE BILLS (RESUMED)**

SENATE BILL NO. 2172 (Sher)—An act to amend Section 25150.6 of the Health and Safety Code, relating to hazardous waste.

Bill read third time, and presented by Assembly Member Wayne.

Bill passed by the following vote:

AYES—48

Alquist	Escutia	Kuehl	Scott
Aroner	Figueroa	Leach	Shelley
Baca	Firestone	Lempert	Strom-Martin
Bowen	Frusetta	Mazzoni	Sweeney
Brown	Gallegos	Migden	Thomson
Bustamante	Goldsmith	Morrissey	Torlakson
Cardenas	Havice	Murray	Vincent
Cardoza	Hertzberg	Napolitano	Washington
Cedillo	Honda	Ortiz	Wayne
Cunneen	House	Pacheco	Wildman
Davis	Keeley	Papan	Wright
Ducheny	Knox	Richter	Mr. Speaker

NOES—23

Ackerman	Bowler	Margett	Poochigian
Aguiar	Brewer	McClintock	Prenter
Alby	Campbell	Miller	Runner
Ashburn	Granlund	Morrow	Thompson
Baugh	Kaloogian	Olberg	Woods
Bordonaro	Leonard	Oller	

Bill ordered transmitted to the Senate.

**At 10:35 a.m., Assistant Speaker pro Tempore Joe Baca,
62nd District, presiding**

SENATE BILL NO. 2003 (Knight)—An act to amend Sections 4848 and 4905 of, and to add Section 4848.3 to, the Business and Professions Code, relating to veterinary medicine, and making an appropriation therefor.

Bill read third time, and presented by Assembly Member Cardoza.

Bill passed by the following vote:

AYES—60

Ackerman	Cardenas	House	Poochigian
Aguiar	Cardoza	Keeley	Prenter
Alby	Cedillo	Leonard	Pringle
Alquist	Cunneen	Margett	Runner
Aroner	Davis	Mazzoni	Scott
Ashburn	Ducheny	McClintock	Strom-Martin
Baca	Escutia	Migden	Thompson
Battin	Figueroa	Miller	Thomson
Baugh	Frusetta	Morrissey	Torlakson
Bordonaro	Gallegos	Morrow	Vincent
Bowler	Goldsmith	Murray	Wayne
Brewer	Granlund	Napolitano	Wildman
Brown	Havice	Olberg	Woods
Bustamante	Hertzberg	Ortiz	Wright
Campbell	Honda	Papan	Mr. Speaker

NOES—7

Bowen	Leach	Pacheco	Sweeney
Kaloogian	Oller	Richter	

Vote Changes

By unanimous consent, the following vote change was permitted on Senate Bill No. 2003: Assembly Member Oller, from "Aye" to "No".

Bill ordered transmitted to the Senate.

BILLS RETURNED TO UNFINISHED BUSINESS FILE

Pursuant to Assembly Rule 78, the following bill was withdrawn from the inactive file, and placed upon the unfinished business file.

Assembly Bill No. 188, on request of Assembly Member Murray.

CONSIDERATION OF DAILY FILE (RESUMED)

THIRD READING OF SENATE BILLS (RESUMED)

SENATE BILL NO. 1418 (Rosenthal)—An act to amend Section 6405 of, to amend the heading of Chapter 5.5 (commencing with Section 6400) of Division 3 of, to amend, repeal, and add Sections 6401, 6402, 6403, 6406, 6407, 6408, 6409, 6410, 6411, 6412, 6413, and 6415 of, to add and repeal Sections 6401.6, 6402.1, 6412.1, and 6416 of, and to repeal and add Section 6400 of, the Business and Professions Code, relating to legal document assistants.

Bill read third time, and presented by Assembly Member Kuehl.

Bill passed by the following vote:

AYES—42

Alquist	Escutia	Mazzoni	Sweeney
Aroner	Figueroa	Migden	Thomson
Baca	Floyd	Murray	Torlakson
Bowen	Gallegos	Napolitano	Vincent
Brown	Havice	Ortiz	Washington
Bustamante	Hertzberg	Pacheco	Wayne
Cardenas	Honda	Papan	Wildman
Cardoza	Keeley	Prenter	Wright
Cedillo	Knox	Scott	Mr. Speaker
Davis	Kuehl	Shelley	
Ducheny	Lempert	Strom-Martin	

NOES—31

Ackerman	Campbell	Leach	Oller
Alby	Cunneen	Leonard	Poochigian
Ashburn	Firestone	Margett	Pringle
Battin	Frusetta	McClintock	Richter
Baugh	Goldsmith	Miller	Runner
Bordonaro	Granlund	Morrissey	Thompson
Bowler	House	Morrow	Woods
Brewer	Kaloogian	Olberg	

Bill ordered transmitted to the Senate.

SENATE BILL NO. 1875 (Hayden)—An act to add Sections 126.5, 126.7, 130.5, and 130.7 to the Metropolitan Water District Act (Chapter 209 of the Statutes of 1969), relating to the Metropolitan Water District of Southern California.

Bill read third time, and presented by Assembly Member Kuehl.

Bill passed by the following vote:

AYES—64

Aguiar	Escutia	Leonard	Pringle
Alquist	Figueroa	Margett	Runner
Aroner	Firestone	Mazzoni	Scott
Baca	Floyd	McClintock	Shelley
Battin	Frusetta	Migden	Strom-Martin
Bordonaro	Gallegos	Miller	Sweeney
Bowen	Goldsmith	Morrissey	Thompson
Brewer	Granlund	Morrow	Thomson
Brown	Hertzberg	Murray	Torlakson
Bustamante	Honda	Napolitano	Vincent
Cardenas	House	Olberg	Washington
Cardoza	Keeley	Ortiz	Wayne
Cedillo	Knox	Pacheco	Wildman
Cunneen	Kuehl	Papan	Woods
Davis	Leach	Poochigian	Wright
Ducheny	Lempert	Prenter	Mr. Speaker

NOES—8

Ackerman	Baugh	Campbell	Kaloogian
Ashburn	Bowler	Havice	Richter

Bill ordered transmitted to the Senate.

SENATE BILL NO. 1250 (Kopp)—An act to amend Section 10770 of, and to repeal Section 10707 of, the Revenue and Taxation Code, and to amend Section 16000 of the Vehicle Code, relating to vehicles.

Rules Suspended

Assembly Member Aguiar was granted unanimous consent that Assembly Rule 69(b) be suspended to permit consideration of proposed amendments to Senate Bill No. 1250.

Bill read third time.

Motion to Amend

Assembly Member Aguiar moved the adoption of amendments.

Amendments read and adopted; bill ordered reprinted, and to be returned to the third reading file.

SENATE BILL NO. 2075 (Polanco)—An act to amend Section 9873 of, and to add Section 9855.05 to, the Business and Professions Code, and to amend Section 12741 of the Insurance Code, relating to service contracts, and making an appropriation therefor.

Bill read third time, and presented by Assembly Member Figueroa.

Bill passed by the following vote:

AYES—59

Ackerman	Davis	Lempert	Richter
Aguiar	Ducheny	Leonard	Runner
Alby	Escutia	Margett	Scott
Alquist	Figueroa	Mazzoni	Strom-Martin
Aroner	Firestone	Migden	Thompson
Ashburn	Frusetta	Miller	Thomson
Baca	Gallegos	Morrissey	Torlakson
Bowen	Goldsmith	Morrow	Vincent
Brewer	Granlund	Murray	Washington
Brown	Haveice	Napolitano	Wayne
Bustamante	Hertzberg	Olberg	Wildman
Campbell	Honda	Ortiz	Woods
Cardenas	Keeley	Papan	Wright
Cedillo	Knox	Poochigian	Mr. Speaker
Cunneen	Kuehl	Prenter	

NOES—9

Baugh	House	McClintock
Bordonaro	Kaloogian	Oller
Bowler	Leach	Pacheco

Bill ordered transmitted to the Senate.

**UNFINISHED BUSINESS (RESUMED)
CONSIDERATION OF SENATE AMENDMENTS**

ASSEMBLY BILL NO. 1121 (Goldsmith)—An act to amend and repeal Section 52303 of the Education Code, relating to vocational education.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—72

Ackerman	Cunneen	Leach	Prenter
Aguiar	Davis	Lempert	Pringle
Alby	Ducheny	Leonard	Richter
Alquist	Escutia	Margett	Runner
Aroner	Figueroa	Mazzoni	Scott
Ashburn	Firestone	McClintock	Shelley
Baca	Frusetta	Migden	Strom-Martin
Battin	Gallegos	Miller	Sweeney
Baugh	Goldsmith	Morrissey	Thompson
Bordonaro	Granlund	Morrow	Thomson
Bowen	Haveice	Murray	Torlakson
Bowler	Hertzberg	Napolitano	Vincent
Brewer	Honda	Olberg	Washington
Brown	House	Oller	Wayne
Bustamante	Kaloogian	Ortiz	Wildman
Campbell	Keeley	Pacheco	Woods
Cardoza	Knox	Papan	Wright
Cedillo	Kuehl	Poochigian	Mr. Speaker

NOES—None

Above bill ordered enrolled.

MEMBERS EXCUSED FOR COMMITTEE MEETING

At 10:52 a.m., by unanimous consent, the members of the Committee on Rules were excused for the purpose of attending a meeting of the committee at this time, in the Tom Bane Rules Committee Room, and without objection, the House was permitted to continue in Floor session.

At 10:53 a.m., Hon. Fred Keeley, 27th District, presiding

NOTICE OF INTENTION TO REMOVE BILL FROM INACTIVE FILE

Pursuant to Assembly Rule 78, Assembly Member Papan announced his intention to request that Senate Bill No. 1873 be removed from the inactive file.

SPECIAL COMMITTEE MEETINGS

Assembly Member Papan was granted unanimous consent that the Committee on Banking and Finance be permitted to hold a special meeting today, and that Joint Rule 62(a) be waived for the purpose of setting Assembly Bill No. 2128 for hearing.

BILL RETURNED TO CONSENT CALENDAR BY UNANIMOUS CONSENT

Assembly Member Shelley was granted unanimous consent that Senate Bill No. 663 be returned to the Consent Calendar.

**CONSIDERATION OF DAILY FILE (RESUMED)
UNFINISHED BUSINESS (RESUMED)
CONSIDERATION OF SENATE AMENDMENTS**

ASSEMBLY BILL NO. 34 (Wayne)—An act to amend Section 1367.65 of, and to repeal and add Section 1367.6 of, the Health and Safety Code, and to repeal and add Section 10123.8 of the Insurance Code, relating to health.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—53

Aguiar	Ducheny	Kuehl	Sweeney
Alby	Escutia	Lempert	Thompson
Alquist	Figueroa	Leonard	Thomson
Aroner	Firestone	Mazzoni	Torlakson
Baca	Floyd	Migden	Vincent
Bordonaro	Frusetta	Murray	Washington
Bowen	Gallegos	Napolitano	Wayne
Bowler	Granlund	Ortiz	Wildman
Brown	Havice	Pacheco	Woods
Bustamante	Hertzberg	Papan	Wright
Cardoza	Honda	Prenter	Mr. Speaker
Cedillo	House	Scott	
Cunneen	Keeley	Shelley	
Davis	Knox	Strom-Martin	

NOES—14

Ackerman	Campbell	McClintock	Poochigian
Ashburn	Kaloogian	Miller	Runner
Baugh	Leach	Morrow	
Brewer	Margett	Olberg	

Above bill ordered enrolled.

ASSEMBLY BILL NO. 2366 (Cedillo)—An act to amend Section 18821 of, and to add and repeal Article 14 (commencing with Section 18851) of Chapter 3 of Part 10.2 of Division 2 of, the Revenue and Taxation Code, relating to taxation.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—45

Alquist	Escutia	Lempert	Sweeney
Aroner	Figuroa	Mazzoni	Thomson
Baca	Firestone	Migden	Torlakson
Bowen	Floyd	Morrissey	Vincent
Brown	Frusetta	Murray	Washington
Bustamante	Gallegos	Napolitano	Wayne
Cardenas	Havice	Ortiz	Wildman
Cardoza	Hertzberg	Papan	Wright
Cedillo	Honda	Prenter	Mr. Speaker
Cunneen	Keeley	Scott	
Davis	Knox	Shelley	
Ducheny	Kuehl	Strom-Martin	

NOES—26

Ackerman	Bowler	Leach	Oller
Aguiar	Brewer	Leonard	Poochigian
Alby	Campbell	Margett	Runner
Ashburn	Goldsmith	McClintock	Thompson
Battin	Granlund	Miller	Woods
Baugh	House	Morrow	
Bordonaro	Kaloogian	Olberg	

Above bill ordered enrolled.

ASSEMBLY BILL NO. 2286 (Scott)—An act to add Chapter 2.5 (commencing with Section 8730) to Part 2 of Division 13 of, the Family Code, relating to adoptions.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—57

Aguiar	Escutia	Kuehl	Scott
Alquist	Figueroa	Lempert	Shelley
Aroner	Firestone	Margett	Strom-Martin
Baca	Floyd	Mazzoni	Sweeney
Battin	Frusetta	McClintock	Thomson
Bordonaro	Gallegos	Migden	Torlakson
Bowen	Goldsmith	Morrissey	Vincent
Bowler	Granlund	Murray	Washington
Brown	Havice	Napolitano	Wayne
Bustamante	Hertzberg	Ortiz	Wildman
Cardenas	Honda	Pacheco	Wright
Cardoza	House	Papan	Mr. Speaker
Cedillo	Kaloogian	Poochigian	
Cunneen	Keeley	Prenter	
Davis	Knox	Richter	

NOES—13

Ackerman	Leach	Olberg	Woods
Ashburn	Leonard	Oller	
Baugh	Miller	Runner	
Campbell	Morrow	Thompson	

Above bill ordered enrolled.

ASSEMBLY BILL NO. 1733 (Machado)—An act to amend Sections 18784 and 18785 of the Revenue and Taxation Code, relating to taxation, and making an appropriation therefor.

Bill presented by Assembly Member Cardoza.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—56

Aguiar	Cunneen	Keeley	Poochigian
Alquist	Davis	Knox	Prenter
Aroner	Ducheny	Kuehl	Scott
Baca	Escutia	Leach	Shelley
Battin	Figueroa	Lempert	Strom-Martin
Bordonaro	Firestone	Mazzoni	Sweeney
Bowen	Floyd	Migden	Thomson
Brewer	Frusetta	Morrissey	Torlakson
Brown	Gallegos	Murray	Vincent
Bustamante	Granlund	Napolitano	Washington
Campbell	Havice	Olberg	Wayne
Cardenas	Hertzberg	Ortiz	Wildman
Cardoza	Honda	Pacheco	Wright
Cedillo	House	Papan	Mr. Speaker

NOES—15

Ackerman	Bowler	McClintock	Runner
Alby	Kaloogian	Miller	Thompson
Ashburn	Leonard	Morrow	Woods
Baugh	Margett	Oller	

Above bill ordered enrolled.

At 11:12 a.m., Speaker pro Tempore Sheila James Kuehl, 41st District, presiding

ASSEMBLY MEMBER NO. 1872 (Baca)—An act to add Sections 17512 and 17513 to the Business and Professions Code, relating to telephonic marketing.

The question being: Shall the Assembly concur in the Senate amendments to the above bill?

(NOTE: Text of Senate amendments on file with the Secretary of the Senate.)

The roll was opened, and the Assembly concurred in Senate amendments by the following vote:

AYES—56

Aguiar	Davis	Knox	Runner
Alby	Ducheny	Kuehl	Scott
Alquist	Escutia	Leach	Shelley
Aroner	Figueroa	Lempert	Strom-Martin
Baca	Firestone	Mazzoni	Sweeney
Bordonaro	Frusetta	Migden	Thomson
Bowen	Gallegos	Morrissey	Torlakson
Bowler	Goldsmith	Murray	Vincent
Brewer	Granlund	Napolitano	Washington
Brown	Havice	Olberg	Wayne
Bustamante	Hertzberg	Ortiz	Wildman
Cardenas	Honda	Pacheco	Woods
Cardoza	House	Papan	Wright
Cunneen	Keeley	Prenter	Mr. Speaker

NOES—8

Ackerman	Baugh	McClintock	Morrow
Ashburn	Kaloogian	Miller	Poochigian

Above bill ordered enrolled.

RE-REFERENCE OF BILLS PURSUANT TO THE RULES

On advice of the Legislative Counsel, and pursuant to the provisions of Joint Rule 10.5 and Assembly Rule 77.2, the following bill was ordered re-referred to the Committee on Appropriations:

Senate Bill No. 1988.

BILL RETURNED TO SENATE

Assembly Member Goldsmith was granted unanimous consent that Assembly Bill No. 1092 be returned to the Senate for further action.

NOTICE OF INTENTION TO REMOVE BILL FROM INACTIVE FILE

Pursuant to Assembly Rule 78, Assembly Member Cardenas announced his intention to request that Senate Bill No. 184 be removed from the inactive file.

**CALL OF THE ASSEMBLY DISPENSED WITH ON
SENATE BILL NO. 1908**

At 11:15 a.m., on motion of Assembly Member Alquist, and in the absence of any objection, further proceedings under the call of the Assembly were dispensed with.

Senate Bill No. 1908 refused passage by the following vote:

AYES—41

Alquist	Ducheny	Lempert	Thomson
Aroner	Escutia	Mazzoni	Torlakson
Baca	Figueroa	Migden	Vincent
Bowen	Floyd	Murray	Washington
Brown	Gallegos	Napolitano	Wayne
Bustamante	Havice	Ortiz	Wildman
Cardenas	Hertzberg	Papan	Wright
Cardoza	Honda	Scott	Mr. Speaker
Cedillo	Keeley	Shelley	
Cunneen	Knox	Strom-Martin	
Davis	Kuehl	Sweeney	

NOES—32

Ackerman	Brewer	Leach	Oller
Aguiar	Campbell	Leonard	Pacheco
Alby	Firestone	Margett	Poochigian
Ashburn	Frusetta	McClintock	Prenter
Battin	Goldsmith	Miller	Pringle
Baugh	Granlund	Morrissey	Richter
Bordonaro	House	Morrow	Runner
Bowler	Kaloogian	Olberg	Thompson

Vote Changes

By unanimous consent, the following vote change was permitted on Senate Bill No. 1908: Assembly Member Frusetta, from "Aye" to "No".

Bill ordered transmitted to the Senate.

**REPORTS OF STANDING COMMITTEES
Committee on Rules**

August 21, 1998

Mr. Speaker: Your Committee on Rules recommends that the requests to suspend Joint Rule 61(b)(12), (13), and (14), as it relates to the following bills be granted:

Senate Bills Nos. 326, 779, and 1714.

HERTZBERG, Chairman

August 21, 1998

Mr. Speaker: Your Committee on Rules recommends that the request to suspend Joint Rule 61(b)(14), to permit the Committee on Water, Parks and Wildlife to hold Special and Joint Hearings next week.

HERTZBERG, Chairman

RESOLUTIONS

The following resolutions were offered:

Resolutions to Suspend Joint Rules

By Assembly Member Martinez:

Resolved, That Joint Rule 61(b)(12), (13), and (14) be suspended to permit the Committee on Utilities and Commerce to meet, consider, and report Senate Bill No. 1714 for further action.

By Assembly Member Shelley:

Resolved, That Joint Rule 61(b)(14) be suspended to permit the Assembly Water, Parks and Wildlife Committee to hold Special and Joint Hearings next week.

By Assembly Member Escutia:

Resolved, That Joint Rule 61(b)(13) and (14) be suspended to permit the Committees on Judiciary and Appropriations to meet, consider, and report Senate Bills Nos. 326 and 779 for further action.

Resolutions read, and adopted by the following vote:

AYES—72

Ackerman	Cunneen	Leach	Prenter
Aguiar	Davis	Lempert	Pringle
Alby	Ducheny	Leonard	Richter
Alquist	Escutia	Margett	Runner
Aroner	Figueroa	Mazzoni	Scott
Ashburn	Firestone	McClintock	Shelley
Baca	Frusetta	Migden	Strom-Martin
Battin	Gallegos	Miller	Sweeney
Baugh	Goldsmith	Morrissey	Thompson
Bordonaro	Granlund	Morrow	Thomson
Bowen	Havice	Murray	Torlakson
Bowler	Hertzberg	Napolitano	Vincent
Brewer	Honda	Olberg	Washington
Brown	House	Oller	Wayne
Bustamante	Kaloogian	Ortiz	Wildman
Campbell	Keeley	Pacheco	Woods
Cardoza	Knox	Papan	Wright
Cedillo	Kuehl	Poochigian	Mr. Speaker

NOES—None

SPECIAL COMMITTEE MEETINGS

Assembly Member Shelley was granted unanimous consent that the Committees on Water, Parks and Wildlife and Senate Agriculture and Water Resources be permitted to hold a special meeting on Monday, August 24, 1998, and that Joint Rule 62(a) be waived.

**CONSIDERATION OF DAILY FILE (RESUMED)
THIRD READING OF SENATE BILLS (RESUMED)**

SENATE BILL NO. 507 (Kopp)—An act to amend Section 8560 of the Health and Safety Code, relating to transportation.

Bill read third time, and presented by Assembly Member Shelley.

Demand for Previous Question

Assembly Members Morrissey, Baugh, Prenter, Migden, and Mazzoni demanded the previous question. Demand sustained.

The question being on the passage of the bill.

Bill refused passage by the following vote:

AYES—27

Alquist	Floyd	Kuehl	Poochigian
Baugh	Frusetta	Lempert	Shelley
Bowen	Gallegos	Leonard	Sweeney
Bowler	Havice	Mazzoni	Thompson
Campbell	House	Morrissey	Wildman
Cardenas	Kaloogian	Morrow	Mr. Speaker
Cunneen	Keeley	Oller	

NOES—24

Ackerman	Brewer	Honda	Pacheco
Aguiar	Cardoza	McClintock	Papan
Alby	Cedillo	Migden	Prenter
Ashburn	Goldsmith	Murray	Runner
Battin	Granlund	Olberg	Scott
Bordonaro	Hertzberg	Ortiz	Thomson

**Motion to Reconsider Senate Bill No. 507
on Next Legislative Day**

Assembly Member Shelley moved to reconsider on the next legislative day the vote whereby Senate Bill No. 507 was this day refused passage.

Senate Bill No. 507 ordered to unfinished business file.

**CALL OF THE ASSEMBLY DISPENSED WITH ON
MOTION BY ASSEMBLY MEMBER HOUSE**

At 11:27 a.m., on motion of Assembly Member Papan, and in the absence of any objection, further proceedings under the call of the Assembly were dispensed with.

The House motion to request that the Senate return Senate Bill No. 1021 to the Assembly for deliberation and vote carried by the following vote:

AYES—35

Ackerman	Firestone	Miller	Runner
Alby	Frusetta	Morrissey	Scott
Baugh	Granlund	Morrow	Strom-Martin
Bordonaro	Havice	Olberg	Sweeney
Bowler	House	Oller	Thompson
Brewer	Kaloogian	Ortiz	Thomson
Campbell	Leach	Poochigian	Wayne
Cardoza	Margett	Prenter	Woods
Cunneen	McClintock	Richter	

NOES—6

Bowen	Ducheny	Floyd
Brown	Escutia	Mazzoni

BILLS RETURNED TO THIRD READING FILE

Pursuant to Assembly Rule 78, the following bills were withdrawn from the inactive file, and placed upon the third reading file:

Senate Bills Nos. 1802 and 2145, on request of Assembly Member Keeley;

Senate Bill No. 28, on request of Assembly Member Brown;

Senate Bill No. 1785, on request of Assembly Member McClintock;

Senate Bill No. 791, on request of Assembly Member Thomson;

Senate Bill No. 559, on request of Assembly Member Miller;

Senate Bills Nos. 1033 and 915, on request of Assembly Member Margett;

Senate Bill No. 702, on request of Assembly Member Davis;

Senate Bill No. 1169, on request of Assembly Member Kaloogian;

Senate Bill No. 1196, on request of Assembly Member Oller;

Senate Bill No. 1125, on request of Assembly Member Kuehl;

Senate Bill No. 418, on request of Assembly Member Woods;

Senate Bill No. 1784, on request of Assembly Member Bowen;

Senate Bill No. 248, on request of Assembly Member Wright.

MOTIONS TO RECONSIDER BILLS CONTINUED

By unanimous consent, the motions to reconsider the votes on Assembly Bills Nos. 23, 2229, 562; Senate Constitutional Amendment No. 13; Senate Bills Nos. 1427, 1450, 2048, 2119, 924, and 1203, were continued until the next legislative day.

**NOTICE OF MOTION TO WITHDRAW ASSEMBLY BILL NO. 1735
FROM COMMITTEE CONTINUED**

Unanimous consent was granted that the notice of motion to withdraw Assembly Bill No. 1735 from the Committee on Public Safety be continued until the next legislative day.

SENATE BILL NO. 1574 SET FOR SPECIAL ORDER

By unanimous consent, Senate Bill No. 1574 was made a special order of business for Monday, August 24, 1998, at 10:30 a.m.

VOTE ADDS

The following Assembly Members were granted unanimous consent to record their votes on the following items:

Assembly Bill No. 425, Concurrence: Alby, Aroner, Bordonaro, Brewer, Brown, Bustamante, Figueroa, Goldsmith, Granlund, Kaloogian, McClintock, Morrow, Pacheco, Pringle, Sweeney, and Wright—Aye.

Assembly Bill No. 431, Concurrence: Alby, Aroner, Bordonaro, Bowen, Brown, Bustamante, Cardoza, Goldsmith, Granlund, Kaloogian, Migden, Morrow, Pacheco, Pringle, Sweeney, and Wright—Aye.

Assembly Bill No. 2039, Concurrence: Alby, Aroner, Bordonaro, Brewer, Brown, Bustamante, Goldsmith, Granlund, Kaloogian, Morrow, Pringle, and Sweeney—Aye.

Assembly Bill No. 1225, Concurrence: Alby, Aroner, Baugh, Bordonaro, Brown, Bustamante, Cedillo, Goldsmith, Granlund, Havice, Kaloogian, Murray, Pringle, and Sweeney—Aye; Morrow—No.

Assembly Bill No. 1439, Concurrence: Alby, Aroner, Battin, Bordonaro, Brown, Bustamante, Cedillo, Gallegos, Goldsmith, Granlund, Morrow, Pochigian, Pringle, Shelley, Sweeney, and Wright—Aye; Kaloogian—No.

Assembly Bill No. 1780, Concurrence: Alby, Aroner, Bordonaro, Brown, Bustamante, Campbell, Cedillo, Goldsmith, Granlund, Morrow, Pringle, Strom-Martin, and Sweeney—Aye; Kaloogian—No.

Assembly Bill No. 2674, Concurrence: Alby, Aroner, Bordonaro, Bowler, Brown, Bustamante, Davis, Goldsmith, Granlund, Kaloogian, Morrow, Murray, Pringle, Sweeney, and Wright—Aye.

Assembly Bill No. 1724, Concurrence: Alby, Aroner, Bordonaro, Brown, Bustamante, Goldsmith, Granlund, Kaloogian, Oller, Pringle, and Sweeney—Aye.

Assembly Bill No. 1927, Concurrence: Alby, Aroner, Bordonaro, Brown, Bustamante, Cardoza, Goldsmith, Granlund, Kaloogian, Murray, Pacheco, Pringle, Sweeney, and Thomson—Aye; Migden—No.

Assembly Concurrent Resolution No. 92, Concurrence: Alby, Aroner, Bordonaro, Brown, Goldsmith, Granlund, Kaloogian, Murray, Pacheco, Pringle, Sweeney, and Thomson—Aye.

Senate Bill No. 1229: Alby, Aroner, Bordonaro, Brown, Ducheny, Goldsmith, Granlund, Kaloogian, Knox, Morrow, Oller, Pacheco, Pringle, and Sweeney—Aye.

Senate Bill No. 2227: Alby, Ashburn, Cardoza, Cedillo, Goldsmith, and Kaloogian—Aye.

Senate Bill No. 1759: Bustamante, Campbell, Cunneen, and Granlund—Aye; Battin, Baugh, Bordonaro, Goldsmith, Kaloogian, Olberg, and Runner—No.

Senate Bill No. 2034: Bowen, Bustamante, and Goldsmith—Aye; Kaloogian, McClintock, Murray, Oller, Runner, and Woods—No.

Senate Bill No. 2172: Ducheny, Frusetta, Goldsmith, and Knox—Aye; Aguiar, Kaloogian, Runner, and Woods—No.

Senate Bill No. 2003: Ackerman, Cedillo, Cunneen, Ducheny, Goldsmith, Havice, Keeley, Migden, Miller, Prenter, and Woods—Aye; Kaloogian and Pacheco—No.

Senate Bill No. 1418: Kaloogian and Runner—No.

Senate Bill No. 1875: Keeley, Poochigian, and Runner—Aye; Havice and Kaloogian—No.

Senate Bill No. 2075: Bowen, Keeley, and Poochigian—Aye; Kaloogian and Oller—No.

Assembly Bill No. 1121, Concurrence: Kaloogian—Aye.

Assembly Bill No. 34, Concurrence: Baca, Ducheny, Frusetta, Granlund, Knox, and Woods—Aye; Runner—No.

Assembly Bill No. 2366, Concurrence: Baca, Cunneen, and Prenter—Aye; Battin—No.

Assembly Bill No. 2286, Concurrence: Battin, Bustamante, Cunneen, and Knox—Aye; Oller—No.

Assembly Bill No. 1733, Concurrence: Battin and Cunneen—Aye; Kaloogian, Oller and Runner—No.

Assembly Bill No. 1872, Concurrence: Cunneen, Ducheny, Knox, Murray, Prenter, and Runner—Aye; Kaloogian—No.

Assembly Bill No. 1908: Kaloogian—No.

Motion by House: Runner—Aye.

MOTION TO ADJOURN

At 11:30 a.m., Assembly Member Scott moved that the Assembly do now adjourn.

Assembly Member Brewer seconded the motion.

Motion carried.

QUORUM CALL OF THE ASSEMBLY DISPENSED WITH

At 11:31 a.m., Speaker pro Tempore Kuehl declared the quorum call of the Assembly dispensed with.

REFERENCE OF BILLS TO COMMITTEE

Pursuant to the Assembly Rules, the following bills were referred to Committee:

Assembly Concurrent

<i>Resolution No.</i>	<i>Committee</i>
188 -----	Rls.
189 -----	Rls.
190 -----	Rls.
191 -----	Rls.

Senate

<i>Bill No.</i>	<i>Committee</i>
1714 -----	U. & C.

Senate Concurrent

<i>Resolution No.</i>	<i>Committee</i>
98 -----	Rls.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, August 21, 1998

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

- | | |
|------------------------|------------------------|
| Assembly Bill No. 164 | Assembly Bill No. 1851 |
| Assembly Bill No. 417 | Assembly Bill No. 1865 |
| Assembly Bill No. 438 | Assembly Bill No. 1869 |
| Assembly Bill No. 743 | Assembly Bill No. 1880 |
| Assembly Bill No. 795 | Assembly Bill No. 1892 |
| Assembly Bill No. 1298 | Assembly Bill No. 1972 |
| Assembly Bill No. 1525 | Assembly Bill No. 2008 |
| Assembly Bill No. 1688 | Assembly Bill No. 2141 |
| Assembly Bill No. 1705 | Assembly Bill No. 2320 |
| Assembly Bill No. 1782 | Assembly Bill No. 2453 |

And reports the same correctly enrolled, and presented to the Governor at 11 a.m., August 21, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, August 21, 1998

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

- | | |
|------------------------|------------------------|
| Assembly Bill No. 209 | Assembly Bill No. 2341 |
| Assembly Bill No. 745 | Assembly Bill No. 2493 |
| Assembly Bill No. 1620 | Assembly Bill No. 2519 |
| Assembly Bill No. 1928 | Assembly Bill No. 2758 |
| Assembly Bill No. 2252 | Assembly Bill No. 2769 |
| Assembly Bill No. 2274 | |

And reports the same correctly enrolled, and presented to the Governor at 2 p.m., August 21, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, August 21, 1998

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

Assembly Constitutional Amendment No. 10

And reports the same correctly enrolled, and presented to the Secretary of State on the 21st day of August, 1998, at 2 p.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, August 21, 1998

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

- Assembly Concurrent Resolution No. 98
- Assembly Concurrent Resolution No. 169
- Assembly Concurrent Resolution No. 174

And reports the same correctly enrolled, and presented to the Secretary of State on the 21st day of August, 1998, at 2 p.m.

E. DOTSON WILSON, Chief Clerk

AUTHOR'S AMENDMENTS
Committee on Utilities and Commerce

August 21, 1998

Mr. Speaker: The Chair of your Committee on Utilities and Commerce reports:
Senate Bill No. 1714

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

MARTINEZ, Chairwoman

SENATE BILL NO. 1714—An act to add Section 376.1 to the Public Utilities Code, relating to public utilities.

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.

AUTHOR'S AMENDMENTS
Committee on Appropriations

August 21, 1998

Mr. Speaker: The Chair of your Committee on Appropriations reports:
Senate Bill No. 1757

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

MIGDEN, Chairwoman

SENATE BILL NO. 1757—An act relating to energy resources, and making an appropriation therefor.

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 Appropriations

Date of Hearing: August 19, 1998

Mr. Speaker: Your Committee on Appropriations reports:
Assembly Concurrent Resolution No. 182

With the recommendation: Be adopted, as amended.

Pursuant to the provisions of Joint Rules Nos. 22.1, 22.2, and 22.3, the committee recommends that the above resolution be placed on the Consent Calendar.

MIGDEN, Chairwoman

Above resolution ordered to second reading.

Date of Hearing: August 19, 1998

Mr. Speaker: Your Committee on Appropriations reports:

- | | |
|---------------------|----------------------|
| Senate Bill No. 157 | Senate Bill No. 1397 |
| Senate Bill No. 270 | Senate Bill No. 1453 |
| Senate Bill No. 309 | Senate Bill No. 1500 |
| Senate Bill No. 409 | Senate Bill No. 1530 |

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

MIGDEN, Chairwoman

Above bills ordered to second reading.

Date of Hearing: August 19, 1998

Mr. Speaker: Your Committee on Appropriations reports:

Senate Bill No. 1681
Senate Bill No. 1697
Senate Bill No. 1712
Senate Bill No. 1896

Senate Bill No. 1901
Senate Bill No. 1950
Senate Bill No. 2030

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

MIGDEN, Chairwoman

Above bills ordered to second reading.

Committee on Transportation

Date of Hearing: August 20, 1998

Mr. Speaker: Your Committee on Transportation reports:

Senate Joint Resolution No. 45

With the recommendation: Be adopted.

Pursuant to the provisions of Joint Rules Nos. 22.1, 22.2, and 22.3, the committee recommends that the above resolution be placed on the Consent Calendar.

MURRAY, Chairman

Above resolution ordered to Consent Calendar.

Date of Hearing: August 20, 1998

Mr. Speaker: Your Committee on Transportation reports:

Senate Concurrent Resolution No. 97

With the recommendation: Be adopted, and re-refer to the Committee on Appropriations with recommendation: To Consent Calendar.

MURRAY, Chairman

Above resolution re-referred to the Committee on Appropriations.

Committee on Rules

Date of Hearing: August 21, 1998

Mr. Speaker: Your Committee on Rules reports:

Assembly Concurrent Resolution No. 188

With the recommendation: Be adopted.

HERTZBERG, Chairman

Above resolution ordered on file.

Committee on Transportation

Date of Hearing: August 20, 1998

Mr. Speaker: Your Committee on Transportation reports:

Assembly Concurrent Resolution No. 187

With the recommendation: Be adopted, and be re-referred to the Committee on Appropriations.

MURRAY, Chairman

Above resolution re-referred to the Committee on Appropriations.

Committee on Water, Parks and Wildlife

Date of Hearing: August 21, 1998

Mr. Speaker: Your Committee on Water, Parks and Wildlife reports:

Senate Bill No. 1854

With the recommendation: Do pass, and be re-referred to the Committee on Appropriations.

MACHADO, Chairman

Above bill re-referred to the Committee on Appropriations.

Committee on Transportation

Date of Hearing: August 20, 1998

Mr. Speaker: Your Committee on Transportation reports:

Assembly Bill No. 930

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

MURRAY, Chairman

Above bill ordered to unfinished business.

Committee on Environmental Safety and Toxic Materials

Date of Hearing: August 21, 1998

Mr. Speaker: Your Committee on Environmental Safety and Toxic Materials reports:

Assembly Bill No. 966

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

WAYNE, Chairman

Above bill ordered to unfinished business.

Committee on Local Government

Date of Hearing: August 19, 1998

Mr. Speaker: Your Committee on Local Government reports:

Senate Bill No. 281

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

SWEENEY, Chairman

Above bill ordered to second reading.

Date of Hearing: August 5, 1998

Mr. Speaker: Your Committee on Local Government reports:

Senate Bill No. 1676

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

SWEENEY, Chairman

Above bill ordered to second reading.

Committee on Appropriations

Date of Hearing: August 19, 1998

Mr. Speaker: Your Committee on Appropriations reports:

Senate Bill No. 555

Senate Bill No. 2049

Senate Bill No. 1393

Senate Bill No. 2180

Senate Bill No. 1462

Senate Bill No. 2199

Senate Bill No. 1700

Senate Bill No. 2238

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

MIGDEN, Chairwoman

Above bills ordered to second reading.

MESSAGES FROM THE SENATE

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day passed:

Assembly Bill No. 2295

Assembly Bill No. 2425

Assembly Bill No. 2583

GREG P. SCHMIDT, Secretary of the Senate

By John W. Rovane, Assistant Secretary

Above bills ordered enrolled.

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day adopted:

- Assembly Concurrent Resolution No. 91
- Assembly Concurrent Resolution No. 155
- Assembly Concurrent Resolution No. 161
- Assembly Concurrent Resolution No. 184

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above resolutions ordered enrolled.

Senate Chamber, August 19, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day passed:

- Assembly Bill No. 2163

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above bill ordered enrolled.

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day adopted:

- Assembly Concurrent Resolution No. 64

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above resolution ordered enrolled.

Senate Chamber, August 19, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day passed as amended:

- | | |
|------------------------|------------------------|
| Assembly Bill No. 497 | Assembly Bill No. 2224 |
| Assembly Bill No. 1136 | Assembly Bill No. 2416 |
| Assembly Bill No. 1534 | Assembly Bill No. 2438 |
| Assembly Bill No. 1692 | Assembly Bill No. 2557 |
| Assembly Bill No. 1931 | Assembly Bill No. 2650 |
| Assembly Bill No. 1951 | Assembly Bill No. 2812 |
| Assembly Bill No. 2016 | |

And respectfully requests the Assembly to concur in said amendments.

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above bills ordered to unfinished business file.

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day passed as amended:

- | | |
|------------------------|------------------------|
| Assembly Bill No. 7 | Assembly Bill No. 1730 |
| Assembly Bill No. 66 | Assembly Bill No. 1748 |
| Assembly Bill No. 214 | Assembly Bill No. 1857 |
| Assembly Bill No. 284 | Assembly Bill No. 1884 |
| Assembly Bill No. 496 | Assembly Bill No. 2280 |
| Assembly Bill No. 823 | Assembly Bill No. 2404 |
| Assembly Bill No. 898 | Assembly Bill No. 2554 |
| Assembly Bill No. 976 | Assembly Bill No. 2597 |
| Assembly Bill No. 1021 | Assembly Bill No. 2621 |
| Assembly Bill No. 1024 | Assembly Bill No. 2693 |
| Assembly Bill No. 1182 | Assembly Bill No. 2733 |
| Assembly Bill No. 1570 | Assembly Bill No. 2739 |
| Assembly Bill No. 1686 | |

And respectfully requests the Assembly to concur in said amendments.

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above bills ordered to unfinished business file.

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day passed as amended:

- | | |
|------------------------|------------------------|
| Assembly Bill No. 96 | Assembly Bill No. 2301 |
| Assembly Bill No. 469 | Assembly Bill No. 2401 |
| Assembly Bill No. 789 | Assembly Bill No. 2473 |
| Assembly Bill No. 1392 | Assembly Bill No. 2580 |
| Assembly Bill No. 1605 | Assembly Bill No. 2633 |
| Assembly Bill No. 2006 | Assembly Bill No. 2682 |
| Assembly Bill No. 2023 | Assembly Bill No. 2771 |
| Assembly Bill No. 2172 | Assembly Bill No. 2801 |
| Assembly Bill No. 2197 | |

And respectfully requests the Assembly to concur in said amendments.

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above bills ordered to unfinished business file.

Senate Chamber, August 20, 1998

Mr. Speaker: I am directed to inform your honorable body that the Senate on this day adopted as amended:

- Assembly Concurrent Resolution No. 133
- Assembly Concurrent Resolution No. 171

And respectfully requests the Assembly to concur in said amendments.

GREG P. SCHMIDT, Secretary of the Senate
By John W. Rovane, Assistant Secretary

Above resolutions ordered to unfinished business file.

BILLS PLACED ON SPECIAL CONSENT CALENDAR

The following bills were placed on the Special Consent Calendar:

Assembly Bills Nos. 576, 1068, 1650, 1838, 2002, 2052, 2061, 2292, 2407, 2693, 96, 469, 1392, 1605, 2172, 2197, 2401, 2580, 2633, 2682, 2771, 2801; Assembly Concurrent Resolution No. 133, and Assembly Concurrent Resolution No. 171.

MESSAGES FROM THE GOVERNOR

The following item veto message from the Governor was received and ordered printed in the Journal and the bill ordered to the unfinished business file:

Governor's Office, Sacramento

August 21, 1998

I object to the following appropriations contained in Assembly Bill 1656.

Item 0450-101-0932—For local assistance, State Trial Court Funding. I reduce this item from \$1,676,286,000 to \$1,666,286,000 by reducing:

- (a) 10-Support for operation of the Trial Courts from \$1,517,580,000 to \$1,513,580,000,
- (d) 45-Court Interpreters from \$46,411,000 to \$40,411,000,

and by revising Provision 4 and deleting Provision 5.

I am deleting the \$4,000,000 legislative augmentation to provide for increased juror compensation and a juror childcare pilot project. If lack of childcare is an impediment to jury service, a pilot can be conducted without additional state resources. In addition, there is no compelling evidence to suggest that a \$5 per day increase in juror compensation will make a difference in the number of persons willing to serve on a jury.

I am deleting the \$6,000,000 legislative augmentation to provide for an increased Minimum Service Level (MSL) of \$220 per day for compensation of court interpreters.

The Budget already increases the MSL to \$180 per day and funds interpreter coordinators. The Administrative Office of the Courts should assess the impact of these changes prior to additional increases.

I am revising Provision 4 to conform to this action.

- “4. The funds appropriated in Schedule (d) shall be for payments for services of contractual court interpreters, certified court interpreters employed by the courts, and the following court interpreter coordinators: one each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th through the 31st classes, and 0.25 each in counties of the 32nd through 58th classes. Courts in counties with a population of 500,000 or less are encouraged, but not required, to coordinate interpreter services on a regional basis. For the purposes of this provision, “court interpreter coordinators” may be full- or part-time court employees, or those contracted by the court to perform these services.

The Judicial Council shall set statewide or regional rates and policies for payment of court interpreters, ~~not to be less than \$220 a day and~~ not to exceed the rate paid to interpreters in the federal court system. The Judicial Council shall adopt appropriate rules and procedures for the administration of these funds. The Judicial Council shall report to the Legislature and Director of the Department of Finance quarterly regarding expenditures from this schedule and projections for annual expenditures for the use of interpreters in the courts and the use and administration of these funds.”

I am deleting Provision 5, which would have required the Judicial Council to report anticipated cost increases resulting from contractual salary adjustments for trial court employees to the Legislature and the Department of Finance by October 1, 1998. The Task Force on Trial Court Employees has sufficient authority under Chapter 850, Statutes of 1997, to review any salary issues.

Item 0450-111-0001—For local assistance, State Trial Court Funding. I reduce this item from \$632,860,766 to \$622,860,766.

I am reducing this item to conform to the actions I have taken in Item 0450-101-0932.

Item 0540-001-0001—For support of Secretary for Resources. I reduce this item from \$11,386,000 to \$1,386,000 by reducing:

- (a) 10-Administration of Resources Agency from \$13,244,000 to \$3,244,000,

and by deleting Provision 1.

I am reducing this item by deleting the \$10,000,000 legislative augmentation for the River Parkway Program because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs, which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am deleting Provision I to conform to this action.

Item 0550-005-0001—For support of the Secretary for the Youth and Adult Correctional Agency. I delete Provision 1.

I am deleting Provision 1 which would require the Commission on Correctional Peace Officers' Standards and Training to contract for development and implementation of a mandatory cultural and ethnic diversity training program for staff, inmates and wards. This is a technical correction. While the Legislature considered providing funding for this program, ultimately no funding was approved. Therefore, this provisional language is inappropriate.

Item 0820-001-0001—For support of Department of Justice. I reduce this item from \$226,588,000 to \$226,438,000 by reducing:

- (3) 25-Executive Programs from \$5,796,000 to \$5,646,000,

and by deleting Provision 7.

I am deleting the \$150,000 legislative augmentation for support of the California Youth Violence Prevention Authority, which is proposed to be established within the Department of Justice by Senate Bill 822. While I am supportive of efforts to reduce juvenile crime, these issues can be addressed within the existing programs of State government without creating additional, unnecessary bureaucracy.

I am deleting Provision 7 to conform to this action.

Item 0820-101-0001—For local assistance, Department of Justice. I reduce this item from \$8,520,000 to \$6,270,000 by deleting:

- (c) 50-Law Enforcement (\$900,000),
- (d) 60-Criminal Justice Information Services (\$1,350,000),

and by deleting Provision 3.

I am deleting the \$900,000 legislative augmentation for support of Sexual Assault Felony Enforcement Teams in Santa Clara County. The State currently provides funding for programs which assist in the prosecution and apprehension of sexual offenders, such as Vertical Prosecution of Statutory Rape and Sexual Predator Apprehension Teams. I would be willing to fund this program on a statewide basis, through a program similar to the Citizens Option for Public Safety program. However, I am not willing to fund such efforts on an individual county basis.

I am deleting Provision 3 to conform to this action.

I am deleting the \$1,350,000 legislative augmentation for allocation to local law enforcement agencies to reimburse their costs of providing the Department of Justice and the federal Immigration and Naturalization Service with final disposition of arrest information on citizenship applicants. Local law enforcement agencies, the courts, and district attorneys are required to forward all final dispositions of arrests to the Department of Justice for entry into the Automated Criminal History System. On an ongoing basis, the Department of Justice works with local government to facilitate this procedure which is currently in the process of being automated. In any case, providing the Department of Justice and the Immigration and Naturalization Service with information regarding the final disposition of arrests is a local responsibility.

Item 0840-001-0001—For support of State Controller. I reduce this item from \$61,793,000 to \$61,293,000 by reducing:

- (b) 300000-Operating Expenses and Equipment from \$32,348,000 to \$31,848,000,

and by deleting Provision 12.

I am deleting the \$500,000 legislative augmentation for the partial restoration of the 1997–98 legislative budget reduction to this Office. The State Controller's Office (SCO) has not provided sufficient information to justify the need for additional funds for technology upgrades.

I am deleting Provision 12 because it is unnecessarily restrictive. It would prohibit the SCO from releasing a Request for Proposal (RFP) for the Travel Expense Reimbursement System until all mission-critical systems are Year 2000 (Y2K) compliant. This language would unduly delay the development of this system, since it would take from 6 to 12 months after the release of the RFP for this system to commence. This time delay would push the system's implementation date beyond the budget year. The Department of Information Technology, as a condition for approval of this system, has already established adequate Y2K safeguards to be met prior to the award of a contract for the system by the SCO.

Item 0860-001-0001—For support of State Board of Equalization. I revise this item by deleting Provision 1.

I am deleting Provision 1 which would permit each member of the Board of Equalization to employ an additional Tax Counsel III, provided the additional position is funded within the member's existing office allocation. This language infringes on Executive Branch authority to effectively administer State government in that it is inconsistent with the Department of Personnel Administration's position allocation guidelines and other standard state procedures for allocating positions.

Item 1100-001-0001—For support of California Science Center. I reduce this item from \$11,097,629 to \$10,797,629 by reducing:

- (a) 10-Education from \$11,281,000 to \$10,981,000.

I am deleting the legislative augmentation of \$300,000 for the Rosa Parks Learning Center. While I am supportive of computer literacy education, I am deleting this amount because of the need to fund higher competing priorities including a prudent reserve.

Item 1100-301-0001—For capital outlay, California Science Center.

I am sustaining the legislative augmentation of \$29,500,000 (\$10,000,000 General Fund and \$19,500,000 Federal Fund) for a new parking facility at the California Science Center (CSC) at Exposition Park. However, I am concerned about the funding and scope of the project. There is a need for a CSC visitor parking facility, especially in light of the efforts at Exposition Park to eliminate surface parking and provide additional park areas. As budgeted, the scope of the project exceeds the identified resources available for the project. Moving forward with the project as proposed would require additional resources as the cost of a 2,700-space facility with two levels below ground is estimated to be approximately \$40,000,000. This additional funding need exceeds the augmentation authority of the State Public Works Board. Therefore, I am directing the Department of Finance to fully review this project in conjunction with the CSC and the Department of General Services to establish a scope for the project which meets the CSC's needs and to determine an appropriate budget for the project. If this review results in the need for a scope change or additional funding, I am directing the CSC to pursue these changes through the normal administrative and budget processes, as appropriate.

Item 1111-001-0069—For transfer by the State Controller from the Barbering and Cosmetology Fund to the Consumer Affairs Fund (Item 1111-010-0702). I reduce this item from \$8,670,000 to \$8,669,000.

I am reducing this item by \$1,000 to conform to the deletion of Provision 6 in Item 1111-010-0702.

Item 1111-001-0582—For transfer by the State Controller from the High Polluter Repair or Removal Account to the Consumer Affairs Fund (Item 1111-010-0702). I reduce this item from \$65,282,000 to \$62,282,000.

I am reducing this item by \$3,000,000. The Legislature included this funding to implement Assembly Bill 2789. This bill would have exempted three areas of the State from the Enhanced Smog Check Program, and would have provided for the reimbursement of specified smog check equipment to smog check station owners who would no longer be required to utilize this equipment to perform smog inspections. This bill would have created inequities by shifting the burden of increased emission reductions from automobiles in those three areas stationary pollution sources and motorists elsewhere in the State. I am eliminating this funding to be consistent with my veto of Assembly Bill 2789.

I am revising Provision 1 to conform to this action.

"1. The funds appropriated by this item are scheduled as follows:

- (a) Education 98,000
- (b) Smog Quality Assurance and Engineering 4,692,000
- (c) Intake 1,526,000
- (d) Enforcement 3,086,000
- (e) Low Income Repair Assistance 20,000,000
- (f) Accelerated Vehicle Retirement 32,880,000
- (g) Dynamometer Cost Mitigation 3,000,000 "

Item 1111-010-0702—For support of Department of Consumer Affairs. I am deleting Provision 6 and reducing this item from \$190,553,000 to \$187,552,000 by reducing:

- (a) 01.01-Support for Department of Consumer Affairs-Administrative and Consumer Services; Bureau of Automotive

Repair; Bureau of Electronic and Appliance Repair; Bureau of Home Furnishings and Thermal Insulation; Bureau of Security and Investigative Services; Arbitration Review Program; Cemetery Program; Funeral Program; Barbering and Cosmetology Program; Bureau of Private Postsecondary and Vocational Education; and Nursing Home Administrator's Program from \$216,256,000 to \$213,255,000.

I am deleting Provision 6, which would prohibit funds transferred pursuant to Item 1111-001-0069 (for the support of the Barbering and Cosmetology Program) from being used for the relocation of examination sites until a cost-benefit analysis has been provided to the Joint Legislative Budget Committee and the Department of Finance. By requiring the completion and issuance of a report prior to relocating an exam site, this language interferes with the ability of the Executive Branch to manage its programs. In addition, the preparation of this report could require the Department to redirect resources from mandated consumer protection activities.

I am reducing \$1,000 from this item to reflect savings that will be achieved from the veto of Provision 6. This action conforms to the reduction taken in Item 1111-001-0069.

I am also reducing \$3,000,000 from this item to conform to the reductions taken in Item 1111-001-0582.

Item 1730-001-0001—For support of Franchise Tax Board. I reduce this item from \$347,313,000 to \$347,054,000 by reducing:

(a) 10-Tax Programs from \$341,826,000 to \$341,567,000.

I am reducing this item by \$259,000 and 4.7 positions to reflect the Board's revised cost estimate to administer the Renters' Tax Credit Program.

Item 1760-001-0666—For support of Department of General Services. I reduce this item from \$362,847,000 to \$362,846,000 by reducing:

(a) Program support from \$469,483,000 to \$469,482,000,

and by deleting Provision 12.

I am reducing this item by \$1,000 and deleting Provision 12 which would require the Department of General Services to increase the statistical data reported to the Legislature on small business participation in public contracts and would include information on ethnicity and gender of small business bidders. This provision is not currently required by statute and could be in violation of recent changes in the law. Compliance with its provision, therefore, would interfere with the ability of the Department to exercise its responsibilities in accordance with law.

I am reducing \$1,000 from this item to reflect savings that will be achieved based on vetoing Provision 12 of this item.

Item 1760-101-0022—For local assistance, Department of General Services. I reduce this item from \$79,018,000 to \$78,718,000.

I am deleting the \$300,000 legislative augmentation for implementation of an additional pilot project to test an alternate "311" number for non-emergencies in the City of Pasadena. While I am supportive of efforts to reduce 911 calls, this augmentation is not needed because funding is included in the Budget for other pilot sites. A fifth

testing site would not yield any additional meaningful data to determine the effectiveness of 311 calls in reducing 911 traffic.

Item 1760-301-0942—For capital outlay, Department of General Services. I delete this item and Provision 1.

I am deleting this item, which provides \$2,945,000 for the New Governor's Mansion. This language contains a technical in that it does not allow for the purchase of an existing residence. The new Governor should have more flexibility in selecting an appropriate residence.

Item 2240-001-0001—For support of Department of Housing and Community Development. I revise this item by reducing:

- (b) 20-Community Affairs Program from \$12,268,000 to \$11,646,000,
- (l) Amount payable from the Self-Help Housing Fund (Item 2240-001-0813) from -\$188,000 to -\$116,000,
- (n) Amount payable from the Housing Rehabilitation Loan Fund (Item 2240-001-0929) from -\$2,569,000 to -\$2,239,000, and
- (o) Amount payable from the Rental Housing Construction Fund (Item 2240-001-0938) from -\$898,000 to -\$678,000.

I revise this item to conform to the reductions taken in Items 2240-001-0813, 2240-001-0929, 2240-001-0938, 2240-103-0001, 2240-105-0001, and 2240-106-0001.

Item 2240-001-0813—For support of Department of Housing and Community Development. I reduce this item from \$188,000 to \$116,000.

I am reducing this item by \$72,000 to conform to the reduction in Item 2240-103-0001.

Item 2240-001-0929—For support of Department of Housing and Community Development. I reduce this item from \$2,569,000 to \$2,239,000.

I am reducing this item by \$330,000 to conform to the deletion of Item 2240-105-0001.

Item 2240-001-0938—For support of Department of Housing and Community Development. I reduce this item from \$898,000 to \$678,000.

I reduce this item by \$220,000 to conform to the deletion of Item 2240-106-0001.

Item 2240-101-0001—For local assistance, Department of Housing and Community Development. I reduce this item from \$4,629,000 to \$4,604,000 by reducing:

- (a) 20-Community Affairs from \$103,629,000 to \$103,604,000.

I am deleting the \$25,000 legislative augmentation to fund the environmental ecosystem project at the Carmelitos Housing Project in Long Beach. The Department does not traditionally fund landscaping or recreational projects. Funding for such projects should come from other sources.

I am sustaining the \$200,000 legislative augmentation to the California Indian Assistance Program, which would provide technical assistance to California Indian tribes applying for increased federal funds under the Native American Housing Assistance and Self-Determination Act of 1996. State funding will be used to contract with private consultants to assist up to 20 tribes in preparing housing

plans, which are required prior to the receipt of the federal funds. I am sustaining this funding with the intent that the Department of Housing and Community Development will assist those tribes that have limited economic resources.

Item 2240-103-0001—For local assistance, Department of Housing and Community Development, for transfer to the Self-Help Housing Fund (0813). I reduce this item from \$2,000,000 to \$1,000,000.

I am deleting the \$1,000,000 legislative augmentation for self-help housing, a program which provides technical assistance and education to families who help build their own homes. While this program has merit, it is my understanding that this augmentation would not be fully used in 1998–99. This program is currently funded at \$1,000,000 and no applications have been denied due to a lack of funds. Because there is a limited number of organizations capable of using these funds, it may be several years before the grant requests exceed the existing funding level.

Item 2240-103-0813—For local assistance, Department of Housing and Community Development. I reduce this item from \$2,928,000 to \$2,000,000 and delete provision 3.

I am reducing this item by \$928,000 to conform with the reduction taken in Item 2240-103-0001.

I am deleting Provision 3 to conform to this action.

Item 2240-104-0001—For local assistance, Department of Housing and Community Development, for transfer to the Farmworker Housing Grant Fund (0927). I delete this item and Provision 1.

I am deleting the \$6,000,000 legislative augmentation for the Farmworker Housing Grant Program. I am deleting this amount because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 1 to conform to this action.

Item 2240-105-0001—For local assistance, Department of Housing and Community Development, for transfer to the California Housing Rehabilitation Loan Fund (0938). I delete this item and Provisions 1 and 2.

I am deleting this item and the funding of \$15,000,000 for transfer from the General Fund for a new program to preserve low-cost housing. These funds are intended to acquire, rehabilitate, and preserve low-cost rental housing which may convert to market rent because of the termination of federal housing subsidies or the desire of owners to increase their income. State government should not be expected to replace federal housing subsidies in California which may be in jeopardy due to federal budget policy. By indicating a willingness to fund a replacement program, California would make it easier for Congress to further reduce the share of federal funds that our state receives. California is already allotted a disproportionately low share of these housing funds compared to other states. I am unwilling to commit new state funding for this purpose.

I am deleting Provisions 1 and 2 to conform to this action.

Item 2240-105-0929—For local assistance, Department of Housing and Community Development. I delete this item and Provision 1.

I am deleting this item to conform to the deletion of Item 2240-105-0001.

I am deleting Provision 1 to conform to this action.

Item 2240-106-0001—For local assistance, Department of Housing and Community Development, for transfer to the Rental Housing Construction Fund (0938). I delete this item and Provisions 1 and 2.

I am deleting this \$10,000,000 General Fund legislative augmentation to provide funding for the proposed Families Moving to Work Housing Program. This program is significantly more costly than other housing programs and will help a relatively limited number of CalWorks recipients. Furthermore, the program inappropriately diverts funds to local housing agencies which are due to the state as loan repayments.

I am deleting Provisions 1 and 2 to conform to this action.

Item 2240-107-0001—For local assistance, Department of Housing and Community Development, for transfer to the Emergency Housing Assistance Fund (0985). I delete this item and Provisions 1 and 2.

I am deleting the \$7,000,000 legislative augmentation to the Emergency Housing Assistance Program. Of this amount, \$2,000,000 was for additional grants to local governments and nonprofit organizations for support of emergency shelters for the homeless and \$5,000,000 was provided for construction of new emergency shelters. State support for this program has historically been funded at a \$2,000,000 level. Any expansion of emergency shelters for the homeless is a local government responsibility.

I am deleting Provisions 1 and 2 to conform with these actions.

Item 2600-101-0001—For local assistance, California Transportation Commission. I delete this item and Provisions 1, 2, 3, 4, and 5.

I am deleting the \$2,000,000 legislative augmentation for a local assistance grant to the North Coast Railroad Authority. I am not convinced that the North Coast Railroad Authority will be able to sustain a financially viable operation without substantially more support for capital improvements and maintenance from local government or the business community. Moreover, the appointment of a state-supported Special Rail Master to monitor the implementation of the Commission's recommendations for the allocation of these funds may give the appearance that the state has assumed a measure of responsibility for the successful operation of this rail line.

I am deleting Provisions 1, 2, 3, 4, and 5 to conform to this action.

Item 2660-001-0042—For support of Department of Transportation. I reduce this item from \$1,524,625,000 to \$1,524,365,000 by reducing:
(f) 20.70-Highway Transportation-Operations from \$137,000,000 to \$136,740,000,

and deleting Provisions 8, 12 and 14.

The Legislature augmented this item by \$400,000 to fund the "floating vehicle" congestion management program in District 4. I am reducing this augmentation by \$260,000 because I am informed that \$140,000 is sufficient to fund this activity. Additionally, I am directing the Department of Transportation to continue the "floating vehicle" program until the implementation of electronic sensors in Bay Area roadways is completed in approximately two years.

I am deleting Provision 8 to conform to this action.

I am deleting Provision 12 which prohibits the Department of Transportation from spending any funds for right-of-way or for

construction of the 'Hatton Canyon Freeway' on Highway 1, between Carmel River Bridge and State Route 68, except funds necessary to design the facility and obtain permits. This language duplicates existing law. The Department of Transportation already conducts environmental impact reports and obtains the necessary permits as part of its highway construction design and planning, prior to actual construction. This provision sets the undesirable precedent of project-specific legislating which is contrary to the provisions of the transportation funding reform bill I signed last year.

I am deleting Provision 14 which would require the Department of Transportation to enter into a noise and dust mitigation agreement with the City and County of San Francisco with regard to the Bay Bridge-West Anchorage Seismic Retrofit Project. The Department of Transportation already conforms its projects to the greatest extent possible to local noise ordinances. I have been informed that an Advisory Committee is in place consisting of local business owners in the Bay Bridge/West Anchorage area and that an agreement has been reached with all of the business owners except one.

Item 2660-101-0001—For local assistance, Department of Transportation. I reduce this item from \$3,600,000 to \$600,000 and delete Provision 2.

I am deleting the \$3,000,000 legislative augmentation to the California Institute for Smart Communities for the establishment of a competitive grant program because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 2 to conform to this action.

In the May Revision, I advised the Legislature that the principal and interest on the loan to the General Fund from the Public Transportation Account, made pursuant to Item 2660-023-046, Budget Act of 1993, was to be repaid in full because the Account is projected to be in deficit otherwise. The Legislature proposed a partial loan repayment of \$46,000,000 although it took no action in the Budget Bill in this regard. In my other actions in this Budget, I have deleted sufficient spending to make possible the full repayment of this debt. Therefore, I am directing the Department of Finance, under the authority of the original loan appropriation, to instruct the State Controller to repay from the General Fund the full amount of the principal and interest owed, which is estimated to be \$113,000,000.

Item 2720-001-0044—For support of Department of the California Highway Patrol. I revise this item by deleting Provisions 2 and 4.

The Legislature added Provision 2 stating its intent to appropriate \$54,000,000 for highway patrol officer salary increases. I am deleting this provision because it is inconsistent with current law regarding the establishment of employee salary increases, and prejudices the outcome of the normal collective bargaining process.

I am deleting Provision 4 which would prohibit the California Highway Patrol from spending any funds on a security fence around the Capitol Building. Capitol security continues to be a serious concern and all options to enhance security should remain open. The CHP's ability to exercise its best judgment on providing security should not be limited.

Item 2720-495—Reversion, Department of California Highway Patrol. I delete this item.

I am deleting this item which would revert \$1,600,000 appropriated in 1997–98 for the construction of security improvements at the State Capitol to the General Fund as of June 30, 1998. While I recognize that a security fence has not received legislative support to date, Capitol security continues to be a concern. This action conforms with the action I have taken to delete Provision 4 in Item 2720-001-0044.

Item 2740-001-0001—For support of Department of Motor Vehicles. I reduce this item from \$340,000 to \$60,000 and revise Provision 1.

I am reducing this item to delete \$280,000 and 1.9 personnel years for the Department of Motor Vehicles to lease and staff a full-time field office in the City of Tehachapi. While Tehachapi is a growing area, there are many areas in the state growing at a faster rate. The department uses an impartial, demographic-based methodology to determine the need for new field offices. This proposal should be subject to that process. Additionally, the General Fund is not the appropriate funding source for the department's field offices.

I am revising Provision 1 to conform to this action:

- “1. Of the funds appropriated by this item \$60,000 is available for the Anatomical Donor Designation program and ~~\$280,000~~ is available for the Tehachapi field office.”

Item 2740-001-0044—For support of Department of Motor Vehicles. I revise this item from \$317,601,000 to \$317,251,000 by reducing:

- (a) 11-Vehicle/Vessel Identification and Compliance from \$329,305,000 to \$328,801,000,
- (b) 22-Driver Licensing and Personal Identification from \$162,877,000 to \$162,751,000,
- (i) Amount payable from the General Fund (Item 2740-001-0001) from ~~-\$340,000~~ to ~~-\$60,000~~,

and by deleting Provisions 2 and 6.

I am deleting the legislative augmentation of \$350,000 and 2.8 personnel years to modify the department's computer system to provide that, in cases in which a smog check certificate is the only outstanding registration requirement, vehicle registration stickers would be automatically mailed to the owner once the vehicle passes its smog check test. The Legislature expressed intent that this change be completed by January 1, 1999. The Department cannot guarantee completion of this project by that date due to other programming priorities including Year 2000 compliance efforts. Due to the unique software used in the department's data processing system, only existing staff can effectively do this work. I am directing the Department of Motor Vehicles to complete the programming as quickly as possible, consistent with the department's other urgent programming priorities.

I am deleting Provision 6 to conform to this action.

I am deleting Provision 2 which would require the Department of Motor Vehicles, prior to expending funds provided for the redesign of the vehicle registration database or the occupational license system, to certify to the Department of Information Technology and to the Joint Legislative Budget Committee that it has completed Phase II of its Business Process Reengineering study for these projects. This will unnecessarily delay the implementation of these two projects.

I am also revising the schedules in this item to conform to the action I have taken in Item 2740-001-0001.

Item 2740-101-0042—For local assistance, Department of Motor Vehicles. I revise this item by revising Provision 1.

I am revising Provision 1 of this item to delete language which limits the loans to counties to what they would have received under Chapter 587, Statutes of 1997 for the 1998–99 fiscal year. This language conflicts with Provision 4, which provides that counties that pass a resolution by September 1, 1998, may receive an amount not less than they would have received under that Chapter for the full calendar year in which the loan was made. I support the earliest possible implementation of automated fingerprinting equipment which will both expedite identification of persons arrested by law enforcement agencies as well as provide better service to schools and others in conducting background checks on prospective employees. Nevertheless, recognizing the late enactment of the Budget, it would be appropriate for the Legislature to extend the September 1, 1998 deadline in Provision 4 to October 1, 1998.

“1. The funds appropriated in this item shall be allocated to the Department of Motor Vehicles for disbursement to counties by the Controller in the form of loans in an amount ~~no greater than each county could have received under subdivision (b) of Section 9250.19 of the Vehicle Code for the 1998–99 fiscal year, which loans shall be~~ for the purpose of allowing local law enforcement agencies to upgrade automated mobile and fixed location fingerprint identification equipment.”

Item 2920-001-0001—For support of California Trade and Commerce Agency. I reduce this item from \$26,145,000 to \$25,945,000 by reducing:

(f) 60-Economic Research and Strategic Planning from \$1,487,000 to \$1,287,000.

I am deleting the \$200,000 augmentation to convene the Economic Strategy Panel to develop economic strategies for the state. Chapter 864, Statutes of 1993, required the Secretary of the Trade and Commerce Agency to convene this panel biennially and provide their report to the Legislature and the Governor. Their first report was funded through private sector funds, as well as in-kind contributions from the Agency and the Department of Education. No appropriation was made within the original legislation, and it is not clear why State funds are now needed to update this effort.

Item 2920-101-0001—For local assistance, California Trade and Commerce Agency. I reduce this item from \$30,957,000 to \$22,857,000 by reducing:

- (a1) 10.10-Economic Development (Small Business Development Centers) from \$1,000,000 to \$500,000;
- (a) 10.30-Economic Development (Strategic Technology Program) from \$23,467,000 to \$16,067,000;
- (d) 20-International Trade and Investment from \$225,000 to \$25,000;

and by revising Provisions 1 and 2, and deleting Provision 3.

I am deleting the \$1,100,000 augmentation to provide grant funds to develop manufacturing technology for use in the private sector. It is premature to augment this relatively new program, which has an ongoing funding level of \$6,700,000, and has not yet been evaluated.

I am deleting the \$500,000 augmentation to Kern County for the creation of an alliance to promote military bases in the southwestern states. Although retention of these facilities is important to the economic health of the local regions surrounding the bases, the proposal is vague. The budget already contains \$245,000 to maintain the Office of Military Base Retention to coordinate base retention activities, including meeting with Pentagon officials, supporting local community efforts, and representing the entire state before the federal Base Closure and Realignment Commission. I am concerned that California taxpayer funds could be used to promote bases in other states to the detriment of bases in California.

I am deleting Provision 3 to conform to this action.

I am deleting the \$200,000 augmentation for the Bay Area World Trade Center because of the need to fund higher competing priorities including a prudent reserve.

I am reducing the \$8,500,000 augmentation provided to fund various grants administered through the California Space and Technology Alliance and the Western Commercial Space Center to \$2,200,000. Even with this reduction, the Budget contains twice the amount of grant funds than were provided in 1997–98. While I support the policy of assisting industries that have a high potential to provide job-creating economic development, I am not willing to commit a significant amount of state resources to a relatively new program without first having an evaluation of the economic benefits of projects funded to date.

Furthermore, the funds provided to both the California Space and Technology Alliance and the Western Commercial Space Center for program administration are excessive, and I am revising Provisions 1 and 2 to limit such expenses to ten percent of the grant funding.

- “1. Of the amount appropriated by this item, the Trade and Commerce Agency shall allocate ~~\$6,300,000~~ *\$1,100,000* to implement the California Space Flight Competitive Grant Program administered by the California Space and Technology Alliance (CSTA) pursuant to subdivision (p) of Section 15333.3 of the Government Code. The CSTA may expend up to ~~\$875,000~~ *\$100,000* for program administration.”
- “2. Of the amount appropriated by this item, the Trade and Commerce Agency shall allocate ~~\$2,200,000~~ *\$1,100,000* to implement the Highway to Space Competitive Grant Program administered by the Western Commercial Space Center (WCSC) pursuant to Section 15333.4 of the Government Code. The WCSC may expend up to ~~\$200,000~~ *\$100,000* for program administration.”

I am sustaining the Legislature’s \$900,000 augmentation for business incubator grants. However, I object to the intent that \$100,000 of this augmentation be provided for a specific business incubator at California State Polytechnic University, San Luis Obispo. While I do not object to the establishment of this specific project, it should compete on an equal basis with all other applicants for any available grant funds.

Item 2920-111-0001—For local assistance, California Trade and Commerce Agency. I revise this item by deleting Provisions 1 and 2.

The Legislature identified up to \$8,500,000 of the \$50,000,000 appropriated to the Infrastructure Bank for private technology development and up to \$1,500,000 for fiber optic network development.

Specific limitations dilute competition for these funds and are contrary to the authorizing legislation. All projects should compete on an equal basis.

Item 2920-112-0001—For local assistance, California Trade and Commerce Agency, for transfer to the Job Creation Investment Fund. I delete this item.

I am deleting the \$6,500,000 augmentation for the Job Creation Investment Program. This program, which is part of California's Welfare-to-Work strategy, has not yet distributed most of the \$5,000,000 it received in 1997–98 grant funds to assist counties in implementing local economic development programs. It would be premature, pending evaluation, to provide additional funding. In addition, the budget contains \$190,000,000 to fund Welfare-to-Work job creation efforts. This, and other funding available through the county block grant, is the main support for Welfare-to-Work job training and development.

Item 2920-112-0393—For local assistance, California Trade and Commerce Agency. I delete this item.

I am deleting this item to conform to the deletion of Item 2920-112-0001.

Item 2920-490—Reappropriation, Trade and Commerce Agency. I delete this item.

I am deleting this item which reappropriates \$140,000 from a 1997–98 appropriation intended to fund a particular project related to development of the commercial space industry. I object to this effort to circumvent the competitive process which will be used for other grants for this industry. I have sustained \$2,200,000 in Item 2920-101-0001 for this purpose.

Item 3125-101-0001—For local assistance, California Tahoe Conservancy. I reduce this item from \$2,400,000 to \$2,000,000 and revise Provision 2.

I am deleting the \$400,000 legislative augmentation for the Rocky Point Trail because of the need to fund higher competing priorities including a prudent reserve.

I am revising Provision 2 to conform to this action.

“2. Of the funds available in the Item, \$2,000,000 shall be available for soil erosion control grants and the amount of \$400,000 is available for construction of the Rocky Point bicycle and pedestrian trail.”

Item 3340-001-0001—For support of California Conservation Corps. I reduce this item from \$42,450,000 to \$32,450,000 by reducing:

(a) 10-Training and Work Program from \$49,561,000 to \$39,561,000,

and by deleting Provision 5.

I am deleting the \$5,000,000 legislative augmentation to expand the California Conservation Corps to include CalWORKs recipients. The funding is unnecessary because counties already have the ability to contract with the State or local corps for services.

I am deleting the \$5,000,000 legislative augmentation for the construction of the Bay Trail Extension Project. I am deleting this amount because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 5 to conform to this action.

Item 3360-001-0001—For support of State Energy Resources Conservation and Development. I delete this item and Provision 1.

I am deleting the legislative augmentation of \$1,600,000 to fund an Environmental, Energy and Highway Research Test Track, because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 1 to conform to this action.

Item 3360-001-0465—For support of State Energy Resources, Conservation and Development Commission. I reduce this item from \$34,698,000 to \$32,898,000 by reducing:

(a) 10-Regulatory and Planning from \$19,065,000 to \$18,865,000,

(c) 30-Development from \$89,597,000 to \$86,397,000,

by deleting:

(fx) Amount payable from the General Fund (Item 3360-001-0001) (-\$1,600,000),

and by deleting Provisions 1, 2 and 3.

I am deleting Provision 1, which provides customer credits for purchases of in-state renewable energy generation without regard to who owns or generates the electricity. Currently, investor-owned utilities, and not municipal utilities, contribute toward funding for the renewable energy generation customer credits. This provisional language would create an inequity because municipal utilities would be allowed to share in a benefit that is supported solely by investor-owned utilities.

I am deleting the legislative augmentation of \$1,600,000 for Solar Hot Water Heaters and Solar Electricity Program. This augmentation would appear to establish a new program and it is unclear what the purpose and objectives of the program would be. Furthermore, there are insufficient resources available in the Energy Resources Program Account.

I am deleting Provision 2 to conform to this action.

I am deleting the legislative augmentation of \$200,000 for the development and support of Consumer Electric Users Cooperatives because the Energy Commission can continue to provide assistance to their efforts within the current budget authorizations.

I am deleting Provision 3 to conform to this action.

I am revising this item to conform to the action I have taken in Item 3360-001-0001.

Item 3360-101-0497—For local assistance, State Energy Resources, Conservation and Development Commission. I revise this item by deleting Provision 3.

I am deleting Provision 3 which allows specified geothermal-related reservoir recharge projects to compete for Geothermal Resources Revolving Subaccount funds. This provisional language unnecessarily restricts the California Energy Commission's ability to allocate resources on a competitive basis to those projects which will best further the goals of the program.

Item 3480-002-0001—For support of the Department of Conservation. I delete this item and Provision 1.

I am deleting the \$934,000 legislative augmentation to fund seismic hazard maps for the San Francisco Bay Area because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 1 to conform to this action.

Item 3540-001-0001—For support of Department of Forestry and Fire Protection. I revise this item by reducing:

- (b) 300000-Operating expenses and equipment from \$140,862,000 to \$129,608,000,
- (p) Amount payable from the Forest Resources Improvement Fund (Item 3540-001-0928) from -\$19,486,000 to -\$8,232,000,

and by deleting Provision 4.

I am revising this item to conform to the actions I have taken in Item 3540-001-0928, as well as to conform to legislative action taken in that item.

I am deleting Provision 4 because this language is unnecessarily restrictive and would interfere with the ability of the Executive Branch to manage programs effectively. Moreover, this provision inappropriately nullifies existing law set forth in the Public Resources Code relative to the administration of the Z'berg-Nejedly Forest Practice Act.

Item 3540-001-0928—For support of Department of Forestry and Fire Protection. I reduce this item from \$11,065,000 to \$8,232,000 and delete Provisions 2 and 3.

I am reducing this item by \$2,833,000 by deleting the legislative augmentations for urban forestry grants (\$633,000) and forest improvement programs (\$2,200,000) because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provisions 2 and 3 to conform with the reductions I have made in this item.

Item 3540-101-0001—For local assistance, Department of Forestry and Fire Protection. I reduce this item from \$465,000 to \$400,000 by deleting:

- (a) Lake Nacimiento Fire and Rescue Boat (\$65,000)

I am deleting the \$65,000 legislative augmentation for the purchase of a fire and rescue boat for the Oak Shores Volunteer Fire Department at Lake Nacimiento because of the need to fund higher competing priorities including a prudent reserve.

Item 3540-301-0001—For capital outlay, Department of Forestry and Fire Protection. I reduce this item from \$32,286,000 to \$32,285,000 by reducing:

- (32) 30.60.035-Statewide: Construct Telecommunication Towers and Vaults, Phase 2-Preliminary plans, working drawings and construction from \$9,148,000 to \$9,147,000,

and by deleting Provision 4.

I am deleting Provision 4 which would require the Department of Forestry and Fire Protection to submit a master plan to the Legislature for the repair and replacement of its communication towers and vaults and delays the initiation of the design process for 30 days after the submittal. This language is unnecessary as the Department has already submitted the master plan to the Legislature. Further, due to the critical public safety nature of these projects, further delays related to the projects should be avoided.

I am reducing \$1,000 from the item based on savings that will be achieved as a result of deleting Provision 4.

Item 3540-301-0928—For capital outlay, Department of Forestry and Fire Protection. I delete this item.

I am deleting the \$5,700,000 legislative augmentation for two acquisition projects from the Forest Resources Improvement Fund. This budget item does not provide sufficient legal authority to use these funds for land acquisition.

Item 3600-001-0001—For support of Department of Fish and Game. I reduce this item from \$21,013,000 to \$19,563,000.

I am reducing this item by \$400,000 for salmon restoration work to be performed by the California Conservation Corps. I am reducing this amount because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs, which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am reducing the legislative augmentation of \$700,000 and seven positions to \$400,000 and four positions to perform timber harvest plan activities because this is the appropriate level of resources, when teamed with the additional positions in the Department of Forestry and Fire Protection, the Department of Conservation, and the State Water Resources Control Board, to improve environmental review and enforcement of timber harvest plans.

I am reducing this item by \$750,000 for the Marine Life and Marine Reserve Management Program. Assembly Bill 2784 provides \$2,200,000 in a tidelands oil revenue allocation which is available to the department, upon appropriation by the Legislature, for this program. Consequently, this General Fund augmentation is not necessary. If Assembly Bill 2784 is enacted, expenditure of the \$2,200,000 for this program can be considered during the next budget cycle.

Item 3600-001-0200—For support of Department of Fish and Game. I revise this item by reducing:

- (d) 55-Fisheries Management from \$87,705,000 to \$86,555,000,
- (e) 60-Environmental Services from \$18,732,000 to \$18,432,000,
- (j) Amount payable from the General Fund (Item 3600-001-0001) from -\$21,013,000 to -\$19,563,000,

and by deleting Provisions 5, 6, 7, 8 and 9.

I am deleting Provision 5 because it would prohibit the Department of Fish and Game from expending any funds on its proposed reorganization until certain criteria are met and reported to the Joint Legislative Budget Committee. The provisional language is unduly restrictive and infringes on the Executive Branch's ability to manage programs pursuant to existing law.

I am deleting Provisions 6, 7 and 8 which would restrict the Department of Fish and Game from using \$7,000,000 from the Salmon and Steelhead Trout Restoration Account for grants under certain circumstances. This provisional language is unnecessarily restrictive and infringes on the Executive Branch's ability to administer programs pursuant to existing law.

I am deleting Provision 9 to conform with action taken in Item 3600-001-0001.

I am revising this item to conform to the action I have taken in Item 3600-001-0001.

Item 3600-002-0001—For support of Department of Fish and Game. I reduce this item from \$3,320,000 to \$1,800,000 and delete Provision 2.

I am deleting the \$20,000 legislative augmentation to fund mosquito abatement activities in the Suisun Resource Conservation District. This is appropriately a local responsibility.

I am deleting Provision 2 to conform to this action.

In order to correct a technical error in this bill, I am reducing the appropriation in this item by \$1,500,000 because this amount should have been scheduled as reimbursements, and not as General Fund. This technical veto will conform with the Legislature's intent as stated in Provision 1 of this item. Provision 1 states that additional funding for the Upper Newport Bay Ecological Reserve dredging project is funded \$1,800,000 General Fund and \$1,500,000 reimbursements.

Item 3600-002-0140—For support of Department of Fish and Game. I reduce this item from \$786,000 to \$500,000 and delete Provision 2.

I am deleting the legislative augmentation of \$286,000 for the Sweetwater Reservoir Fishing Facility because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 2 to conform to this action.

Item 3600-002-0320—For support of Department of Fish and Game. I delete this item and Provision 1.

I am deleting the \$1,800,000 legislative augmentation to fund an Emergency Operations Center for Santa Barbara County. Consistent with my veto message last year, construction of this facility is a local, not a State, responsibility.

I am deleting Provision 1 to conform to this action.

Item 3600-101-0001—For local assistance, Department of Fish and Game. I revise this item by deleting Provision 1.

I am deleting Provision 1 to eliminate language limiting expenditures for Natural Community Conservation Plans (NCCP) to the approved plans in Orange and San Diego Counties. This language is unnecessarily restrictive and hinders the ability of the Executive Branch to achieve the goals of the NCCP program effectively under existing law. The NCCP enabling legislation and existing program authorities provide the necessary authority to implement the NCCP while providing an appropriate level of local control for this locally driven program.

Item 3600-101-0890—For local assistance, Department of Fish and Game. I revise this item by deleting Provision 1.

I am deleting Provision 1 to eliminate language limiting expenditures for Natural Community Conservation Plans (NCCP) to the approved plans in Orange and San Diego Counties. This language is unnecessarily restrictive and hinders the ability of the Executive Branch to achieve the goals of the NCCP program effectively under existing law. The NCCP enabling legislation and existing program authorities provide the necessary authority to implement the NCCP while providing an appropriate level of local control for this locally driven program.

Item 3600-301-0200—For capital outlay, Department of Fish and Game. I revise this item by deleting Provision 5.

I am deleting Provision 5 which prohibits the augmentation of funds for the Napa Sonoma Wildlife Area Water Control Structures project.

This language is unduly restrictive and infringes on the ability of the Executive Branch to manage its capital outlay projects pursuant to existing statutes.

Item 3640-301-0001—For capital outlay, Wildlife Conservation Board. I reduce this item from \$39,938,000 to \$3,850,000 by reducing:

- (1) 80.10.060-Acquisition and restoration for habitat or open space from \$39,938,000 to \$3,850,000,

by deleting Provision 1,

and by revising Provision 5.

I am deleting the following legislative augmentations specified in Provision 5:

\$500,000 for the Stough Canyon Nature Center; \$155,000 for the Newhall Bike Trail; \$450,000 for the Mid-Peninsula Trail; \$5,000,000 for the Rim of the Valley; \$1,000,000 for the Bombay Project in the Santa Cruz Greenbelt; and \$28,938,000 in unspecified project funding.

I am deleting \$7,105,000 in specified projects because of the need to fund higher competing priorities including a prudent reserve.

I am deleting \$28,983,000 for unspecified projects because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs, which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am revising Provision 5 to conform to this action.

"5. Of the funds appropriated by this item ~~\$10,955,000~~ \$3,850,000 is available to the Wildlife Conservation Board to fund the following:

- (a) \$250,000 for the North Bay Riparian Station
- (b) \$2,000,000 for the Mattole Redwoods acquisition
- (c) \$200,000 for the Cache Creek Nature Center
- ~~(d) \$500,000 for the Stough Canyon Nature Center~~
- (e) \$100,000 for the Sky Ranch acquisition
- ~~(f) \$155,000 for the Newhall Bike Trail~~
- (g) \$200,000 for the Clayton Ranch acquisition
- ~~(h) \$450,000 for the Mid-Peninsula Trail~~
- ~~(i) \$5,000,000 for the Rim of the Valley~~
- (j) ~~\$1,000,000 for the Bombay Project in the Santa Cruz Greenbelt~~
- (k) \$100,000 for habitat restoration on the Palos Verdes Peninsula
- (l) ~~\$1,000,000 for the Inland Wetlands Conservation Program"~~

I am deleting Provision 1 to eliminate language limiting expenditures for Natural Community Conservation Plans (NCCP) to the approved plans in Orange and San Diego Counties. This language is unnecessarily restrictive and hinders the ability of the Executive Branch to achieve the goals of the NCCP program effectively under existing law. The NCCP enabling legislation and existing program authorities provide the necessary authority to implement the NCCP while providing an appropriate level of local control for this locally driven program.

Item 3640-301-0262—For capital outlay, Wildlife Conservation Board. I revise this item by revising Provision 4.

I am revising Provision 4 to eliminate language limiting expenditures for Natural Community Conservation Plans (NCCP) to the approved

plans in Orange and San Diego Counties. This language is unnecessarily restrictive and hinders the ability of the Executive Branch to achieve the goals of the NCCP program effectively under existing law. The NCCP enabling legislation and existing program authorities provide the necessary authority to implement the NCCP while providing an appropriate level of local control for this locally driven program.

I am revising Provision 4 to conform to this action.

“4. Of the amount appropriated by this item, \$17,511,000 shall be available to the Wildlife Conservation Board to fund:

- (a) \$6,400,000 for land acquisition for the Natural Community Conservation Planning (NCCP) Program as defined in Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code, consistent with the requirements of the Natural Resources Infrastructure Fund and the Habitat Conservation Fund. ~~Expenditure of these funds shall be limited to projects that are part of approved NCCP plans in San Diego and Orange Counties.~~
- (b) \$1,000,000 for the Inland Wetlands Conservation Program pursuant to Section 1411 of the Fish and Game Code, and consistent with the requirements of the Unallocated Account (Cigarette and Tobacco Products Surtax Fund) and the Habitat Conservation Fund.
- (c) \$10,111,000 for wildlife habitat acquisition projects, consistent with the requirements of the Unallocated Account (Cigarette and Tobacco Products Surtax Fund), the Natural Resources Infrastructure Fund and the Habitat Conservation Fund.”

Item 3680-101-0516—For local assistance, Department of Boating and Waterways. I reduce this item from \$41,638,000 to \$39,138,000 by reducing:

(bx) 30-Beach Erosion Control from \$6,500,000 to \$4,000,000, and by deleting Provisions 4 and 5.

I am deleting the legislative augmentation of \$2,500,000 to fund beach erosion control projects. I am concerned that this appropriation could result in significant future costs to the State.

I am deleting Provision 5 to conform to this action.

I am deleting Provision 4 which would broaden the use of funds appropriated in Chapter 886, Statutes of 1997, for a grant to Redwood City for the disposal of abandoned vessels to now include enforcement measures for the prevention of future abandoned vessels. While this request may have merit, Redwood City, with the concurrence of the County of San Mateo, can compete for boating enforcement grant funds offered by the Department.

Item 3720-001-0001—For support of California Coastal Commission. I reduce this item from \$8,368,000 to \$7,387,000 by reducing:

- (a) 10-Coastal Management Program from \$10,558,000 to \$9,935,000.
- (c) 30.01-Administration from \$2,067,000 to \$1,709,000.

I am deleting the \$981,000 legislative augmentation for additional positions and to reestablish the North Coast Office because of the need to fund higher competing priorities including a prudent reserve.

Item 3760-001-0001—For support of the State Coastal Conservancy. I revise this item by deleting Provision 1.

I am deleting Provision 1 which limits expenditures for the Southern California Wetlands Clearinghouse to activities associated with acquisition, enhancement, or restoration of wetlands. Mitigation banks are an essential tool for funding wetland restoration activities. To the extent this language is intended to preclude the use of mitigation banks, this language is unnecessarily restrictive and could hinder the ability of the Executive Branch to achieve the goals of this program pursuant to existing law.

Item 3760-301-0001—For capital outlay, State Coastal Conservancy. I reduce this item from \$33,090,000 to \$25,871,000 by reducing:

(0.1) 80.93.015-Coastal Resource Development from \$20,000,000 to \$12,781,000,

and by deleting Provision 3,

and by revising Provision 4.

I am deleting the following legislative augmentations specified in Provision 4: \$5,000,000 for Bay Area Conservancy; \$219,000 for Imperial Beach; and \$2,000,000 for Montezuma Wetlands.

I am deleting \$2,219,000 for the Imperial Beach and Montezuma Wetlands projects, and \$5,000,000 for the Bay Area Conservancy because of the need to fund higher competing priorities including a prudent reserve.

I am sustaining \$500,000 for the South Spit restoration and enhancement project to assist local efforts. However, I note that this land use problem is essentially local in nature and additional State commitments are not warranted.

I am revising Provision 4 to conform to this action:

“4. The funds available in Schedule (0.1) are available for activities consistent with Division 21 (commencing with Section 31000) of the Public Resources Code for the following projects: Coast Dairies, \$5,000,000; ~~Bay Area Conservancy, \$5,000,000; Imperial Beach, \$219,000; Montezuma Wetlands \$2,000,000;~~ Bolinas Lagoon, \$500,000; Paradise Creek Education Park, \$700,000; Moss Landing, \$450,000; Estero Bay, \$2,500,000; Caspar State Beach, \$1,800,000; South Spit restoration and enhancement, \$500,000; and \$1,331,000 for unspecified projects.”

I am deleting Provision 3 which limits expenditures for the Southern California Wetlands Clearinghouse to acquisition, enhancement, or restoration of wetlands. Mitigation banks are an essential tool for funding wetland restoration activities. To the extent this language is intended to preclude their future use, this language is unnecessarily restrictive and could hinder the ability of the Executive Branch in the future to achieve the goals of this program pursuant to existing law.

Item 3790-001-0001—For support of Department of Parks and Recreation. I reduce this item from \$98,088,000 to \$97,995,000 and delete Provision 1.

I am deleting the \$93,000 legislative augmentation for the California Recreational Trails System because of the need to fund higher competing priorities including a prudent reserve.

I am deleting Provision 1 to conform to this action.

Item 3790-001-0392—For support of the Department of Parks and Recreation. I revise this item by reducing:

- (a) For the support of the Department of Parks and Recreation from \$225,519,000 to \$225,426,000,
- (c) Amount payable from the General Fund (Item 3790-001-0001) from -\$98,088,000 to -\$97,995,000,

and by deleting Provision 3.

I am revising this item to conform to the action I have taken in Item 3790-001-0001.

I am deleting Provision 3 which requires the Department to notify the Legislature at least 30 days prior to approving any changes in concessionaire operations such as changes in services and prices. This language is unnecessarily restrictive and would interfere with the ability of the Executive Branch to manage its programs which would result in increased costs to the State. The notification and 30-day wait would delay and greatly discourage program improvements and modifications for safety or visitor comfort.

Item 3790-101-0001—For local assistance, Department of Parks and Recreation. I delete this item.

I am deleting the \$7,500,000 legislative augmentation for local assistance grants through the Roberti-Z'berg-Harris Urban Open-Space and Recreation program because of the need to fund higher competing priorities including a prudent reserve.

Item 3790-102-0001—For local assistance, Department of Parks and Recreation. I reduce this item from \$44,727,000 to \$30,737,000 by reducing:

- (a) 80.25 Local Grants from \$44,727,000 to \$30,737,000

by deleting \$8,400,000 for the following projects:

- (3) City of Anaheim: Support for the Boys and Girls Club (\$45,000)
- (5) City of Bell Gardens: Bell Gardens Pool (\$200,000)
- (7) City of Bellflower: Bellflower Recreational Park (\$100,000)
- (8) City of Bellflower: Bellflower Skateboard Park (\$250,000)
- (10) City of Cloverdale: Senior Center (\$350,000)
- (11) City of Coachella: Restroom Facilities for 3 Parks (\$50,000)
- (13) City of Cypress: Completion of Roller Hockey Rink and Skateboard Park (\$120,000)
- (20) City of Glendale: College View School Park (\$250,000)
- (21) City of Half Moon Bay: Pilarcitos Creek Bike Trail (\$300,000)
- (22) City of Healdsburg: Carson Warner Memorial Park (\$92,000)
- (23) City of Hemet: Development of New Youth Baseball Fields (\$55,000)
- (28.2) City of Lancaster: National Soccer Complex Restrooms (\$200,000)
- (33) City of Lompoc: Alan Hancock Bikeway Extension (\$402,000)
- (34) City of Los Angeles: Griffith Park Replumbing (\$1,500,000)
- (38) City of Ojai: Parks Improvement (\$250,000)
- (38.1) City of Ontario: De Anza Park Restroom and Storage Facilities (\$150,000)
- (39) City of Ontario: Relighting of Ontario Ballfield (\$98,000)
- (46) City of Richmond: Richmond Trail (\$40,000)
- (53) City of San Diego: Alcott School Tot Lot (\$115,000)
- (55) City of San Diego: Lake Murray Community Park Comfort Station (\$115,000)

- (56) City of San Diego: Ocean Beach Tot Lot (\$80,000)
 - (57) City of San Diego: Sandburg Park Tot Lot Upgrade (\$135,000)
 - (59) County of San Diego: New Spring Valley Family Health Center (\$51,000)
 - (60) City of San Fernando: Las Palmas Youth/Senior Activity Center Demolition Tot Lot (\$800,000)
 - (63) City and County of San Francisco: Collingwood Park Acquisition (\$500,000)
 - (65) City and County of San Francisco: Glen Canyon Park (\$50,000)
 - (66) City and County of San Francisco: Golden Gate Park—Lakes Restoration (\$200,000)
 - (68) City and County of San Francisco: McClaren Park (\$100,000)
 - (69) City and County of San Francisco: Pine Lake Park (\$200,000)
 - (77) City of South San Francisco: Community Theater Renovation (\$300,000)
 - (78) City of South San Francisco: Multi-Use Park Planning (\$400,000)
 - (79) Templeton Community Services District: Gibson Park Youth (\$150,000)
 - (80) City of Turlock: Ella Johnson Community Center (\$322,000)
 - (82) City of West Hollywood: West Hollywood Park Pool (\$150,000)
 - (85) City of Willits: Willits Soccer Field (\$280,000)
- I am reducing \$4,390,000 for the following projects:
- (4) City of Artesia: Artesia Park from (\$350,000) to (\$200,000);
 - (16) East Bay Regional Park District: Arroyo del Valle Outdoor Education Center from (\$4,500,000) to (\$2,000,000);
 - (18) City of El Monte: El Monte Community Center from (\$500,000) to (\$100,000);
 - (54) City of San Diego: La Jolla Cove Erosion Project from (\$540,000) to (\$300,000);
 - (71) City of San Jose: Mexican Cultural Heritage Garden and Plaza from (\$500,000) to (\$100,000);
 - (72) City of San Jose: Vietnamese Cultural Garden from (\$500,000) to (\$100,000); and
 - (73.1) City of Sanger: Sanger Swimming Pool from (\$500,000) to (\$200,000).

I am deleting or reducing these projects because of the need to fund higher competing priorities including a prudent reserve.

I am also deleting \$200,000 for the Butte County: Courthouse Remodel (Schedule (8.1)). It is inappropriate to fund a county courthouse remodeling project with State funds.

I am also deleting \$1,000,000 for the City of San Jose: Guadalupe River Parkway-South Trail Project (Schedule (70)) in San Jose because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs, which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am sustaining \$300,000 for the City of Pacifica: Milagra Creek Erosion Control Project (Schedule (41)) in Pacifica as I am supportive of this flood control effort. However, funding for this project appropriately belongs in the Department of Water Resources budget. Therefore, I direct the Department of Parks and Recreation and the

Department of Water Resources to undertake an interagency agreement or other administrative steps necessary to utilize these funds for the intended purpose.

Item 3790-102-0140—For local assistance, Department of Parks and Recreation. I delete this item.

I am deleting the \$1,165,000 legislative augmentation for facility construction at the Bayview Terrace Elementary School-Joint Use Park Facility in San Diego and the \$50,000 legislative augmentation for the Palace of Fine Arts lagoon enhancement in San Francisco. These deletions are necessary to ensure that a prudent reserve is maintained in the California Environmental License Plate Fund.

Item 3790-302-0001—For capital outlay, Department of Parks and Recreation. I reduce this item from \$5,737,000 to \$4,560,000 by deleting:

- (1) 90.B2.205-Auburn State Recreation Area: Quarry Road Stabilization—Minor Project (\$47,000),
- (3) 90.FB.100-Pio Pico State Park: Restoration-Preliminary plans, working drawings, and construction (\$750,000),
- (7) 90.6U.205-Annadel State Park: ADA Compliant Restrooms-Minor Project (\$40,000), and
- (8) 90.99.205-San Luis Reservoir State Recreation Area: Los Banos Creek Bridge-Minor Project (\$340,000).

I am deleting \$427,000 in legislative augmentations for projects (1), (7) and (8) listed above because of the need to fund higher competing priorities including a prudent reserve.

I am deleting \$750,000 for the Pio Pico State Park Restoration (3) as there is a lack of funding in the Budget to restore other gubernatorial mansions.

I am sustaining funding for the Chino Hills State Park acquisition (Schedule (2)). However, the habitat benefits of this acquisition will not be realized without acquisition of another essential parcel. The State should sell the parcel acquired pursuant to the augmentation if the remainder of the wildlife corridor to the Cleveland National Forest cannot be protected.

Item 3810-001-0001—For support of the Santa Monica Mountains Conservancy. I delete this item and Provision 1.

I am deleting the \$50,000 legislative augmentation to provide reimbursements to local conservation corps to assist with Conservancy programs. The Conservancy has adequate resources to under take this program if it so chooses.

I am deleting Provision 1 to conform to this action.

Item 3810-011-0941—For support of Santa Monica Mountains Conservancy. I revise this item by reducing:

- (a) 10-Santa Monica Mountains Conservancy from \$644,000 to \$594,000

and by deleting:

- (bx) Amount payable from the General Fund (Item 3810-001-0001) (−\$50,000).

I am revising this item to conform to the action I have taken in Item 3810-001-0001.

Item 3810-301-0001—For capital outlay, Santa Monica Mountains Conservancy. I delete this item and Provisions 1 and 2.

I am deleting this item because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am deleting Provisions 1 and 2 to conform to this action.

Item 3820-001-0001—For support of San Francisco Bay Area Conservation and Development Commission. I revise this item by deleting Provisions 1 and 2.

I am deleting Provisions 1 and 2 which would deny funding to establish or operate a wetland mitigation bank. Mitigation banks are an essential tool for funding wetland restoration activities. To the extent this language is intended to preclude the use of mitigation banks, this language is unnecessarily restrictive and infringes on the Executive Branch's ability to effectively achieve the goals of this program.

Item 3830-001-0001—For support of the San Joaquin River Conservancy. I delete this item and Provision 1.

I am deleting the \$50,000 legislative augmentation to provide reimbursements to local conservation corps to assist with Conservancy programs. The Conservancy has adequate resources to under take this program if it so chooses.

I am deleting Provision 1 to conform to this action.

Item 3830-001-0140—For support of the San Joaquin River Conservancy. I revise this item by reducing:

(a) 10-San Joaquin River Conservancy from \$245,000 to \$195,000, and by deleting:

(c) Amount payable from the General Fund (Item 3830-001-0001) (-\$50,000).

I am revising this item to conform to the action I have taken in Item 3830-001-0001.

Item 3860-001-0001—For support of Department of Water Resources. I revise this item by deleting Provision 2.

I am deleting Provision 2 because it is unnecessarily restrictive and would interfere with the ability of the Executive Branch to manage its programs. The language would require specific legislative approval prior to any funds being expended on the development and implementation of an isolated transmission facility. This language would limit the authority of CALFED Bay-Delta to consider operational alternatives which may prove to be beneficial and less costly to the State.

Item 3860-102-0001—For local assistance, Department of Water Resources. I reduce this item from \$17,786,000 to \$1,215,000 by reducing:

(d) Salton Sea from \$1,500,000 to \$1,000,000,

and by deleting:

(b) Dredging Projects (\$15,700,000),

(c) Middle Creek Marsh Restoration Project Feasibility Study (\$371,000),

and by deleting Provision 1.

I am deleting the \$16,071,000 in legislative augmentations for the two local assistance projects listed above because of the need to fund higher competing priorities including a prudent reserve. Furthermore, in the case of the dredging projects for various ports and harbors, I note that ports and harbors receive operating revenue from port activity. These funds must be used for public trust purposes, which include the operation and development of the harbors and ports. Consequently, it is inappropriate to provide a subsidy for these enterprises.

I am deleting Provision 1 to conform to this action.

I am reducing the legislative augmentation of \$1,500,000 to \$1,000,000 to provide sufficient funds to match a like amount of federal funds from the U.S. Fish and Wildlife Service to improve management response to bird die-offs at the Salton Sea and to fund a joint research management committee.

Item 3860-301-0001—For capital outlay, Department of Water Resources. I reduce this item from \$27,460,000 to \$26,460,000 by deleting:

(9.3) 30.95.285-Colusa Basin Drainage District, Flood Control Project (\$1,000,000).

I am deleting the \$1,000,000 legislative augmentation for the Colusa Basin Drainage District Flood Control Project. I am deleting this project because of the need to fund higher competing priorities including a prudent reserve.

Item 3900-001-0001—For support of State Air Resources Board. I delete Provision 1.

I am deleting Provision 1 because it would tie the expenditure of \$25,000,000 in this item to Assembly Bill 1368 and Senate Bill 1857 of the 1998 legislative session. I support provisions in these bills that would create a grant program to replace high-polluting diesel engines with low-emission alternatives; however, I do not support provisions that would allocate funds based on fixed percentages and create unnecessary new accounts. A rigid allocation system and a proliferation of new accounts would be counterproductive. Flexibility should exist to allocate funds on a cost-effective basis. The Air Resources Board advises the most cost-effective means currently available to reduce pollution from heavy-duty diesel engines is to encourage the purchase of newer technology. Therefore, it is my intent that the Air Resources Board, under existing statutory authority, use this \$25,000,000 to provide grants for the purchase of low-emission technology to reduce air pollution from diesel engines.

Item 3940-001-0001—For support of State Water Resources Control Board. I reduce this item from \$46,014,000 to \$40,264,000 by reducing:

(a) 10-Water Quality from \$287,421,000 to \$281,671,000,

and by deleting Provision 3.

I am deleting the \$5,750,000 legislative augmentation for various nonpoint source pollution prevention programs in coastal areas, and for research on recycled water quality, because of the Legislature's failure to enact a balanced water resources plan, including meeting California's future water needs, which is a higher priority. The Legislature should consider investing the State's General Fund in this or similar ecosystem restoration projects only after a comprehensive, balanced plan has been adopted.

I am deleting Provision 3 to conform to this action.

Item 3940-101-0001—For local assistance, State Water Resources Control Board. I reduce this item from \$4,525,000 to \$2,525,000 by deleting:

(b) Lake County Sanitation District, Phase II of the Regional Wastewater Recycling Program: Clearlake Basin 2000 Project (\$2,000,000).

I am deleting the \$2,000,000 legislative augmentation for a grant to the Lake County Sanitation District for Phase II of the Regional Wastewater Recycling Program: Clearlake Basin 2000 Project. While I am supportive of water recycling programs, I am eliminating funding for this project because of the need to fund higher competing priorities including a prudent reserve.

Item 3960-001-0014—For support of Department of Toxic Substances Control. I delete Provision 1.

I am deleting Provision 1 which would declare legislative intent to deny funding for the initiative known as the Regulatory Structure Update and prohibit the use of any other appropriation in the Budget Act to fund the initiative. The Department informs me that the project is complete. Moreover, it would be an infringement on the Executive Branch's authority to effectively administer the program.

Item 4120-101-0001—For local assistance, Emergency Medical Services Authority. I reduce this item from \$4,697,000 to \$4,197,000.

I am reducing \$500,000 of the \$1,250,000 legislative augmentation for the California Poison Control System and sustaining \$750,000 to be matched with federal funds. This level of funding is sufficient for state support of the Poison Control System. Furthermore, I support continued efforts to seek support from stakeholders and those whose paying members use the system, such as health plans, insurance companies, hospitals and physicians' groups.

Item 4170-001-0001—For support of Department of Aging. I reduce this item from \$3,886,000 to \$3,709,000 by reducing:

(d) 40-Special Projects from \$4,474,000 to \$4,112,000; and

(g) Reimbursements from -\$1,984,000 to -\$1,799,000;

and by deleting Provision 1.

I am reducing the legislative augmentation of \$408,000 and 7.1 personnel years to increase staff to expand various community-based programs for the elderly by \$177,000 General Fund and \$185,000 in reimbursements and 3.6 personnel years. I already proposed a funding increase to expand elderly services in 1998-99 to unserved areas of the state, including \$584,000 (\$400,000 General Fund) and 6.5 positions for the Department of Aging. That staff is sufficient for the first year of this two-year effort. However, I am sustaining the legislative augmentation of \$231,000 and 3.5 personnel years for the Adult Day Health Care and Alzheimer's Day Care Resource Center programs. These positions will provide technical assistance in conjunction with the increased funding levels for these programs.

I am deleting Provision 1 to conform to this action.

Item 4170-101-0001—For local assistance, Department of Aging. I reduce this item from \$50,602,000 to \$40,459,000 by reducing:

(d) 40-Special Projects from \$59,280,000 to \$44,183,000

(e) Reimbursements from -\$20,380,000 to -\$15,426,000 and by deleting Provision 3.

I am reducing the \$17,314,000 (\$12,360,000 General Fund) legislative augmentation to expand various community-based programs for the elderly by \$10,143,000 General Fund and \$4,954,000 in reimbursements. I am supportive of efforts in this area and proposed a \$12,154,000 augmentation to expand senior programs by establishing 134 additional program sites in unserved areas of the state. This represents a 40-percent increase and recognizes the importance of these programs. I am sustaining the \$2,217,000 General Fund augmentation for the Adult Day Health Care and Alzheimer's Day Care Resource Center programs. This funding will provide additional resources to assist in the prevention of premature institutionalization and allow departmental staff to provide additional technical assistance to caregivers.

I am deleting Provision 3 to conform to this action.

Item 4180-001-0001—For support of Commission on Aging. I delete this item.

I am deleting the \$300,000 legislative augmentation for the activities of the Commission. The Budget provides sufficient funding for the Commission to perform its statutory responsibilities.

Item 4200-101-0001—For local assistance, Department of Alcohol and Drug Programs. I reduce this item from \$82,897,000 to \$67,296,000 by reducing:

(a) 15-Alcohol and Other Drug Services Program from \$342,170,000 to \$326,569,000,

and by deleting Provisions 9, 10, and 12.

I am reducing \$1,000 of the \$5,000,000 legislative augmentation to expand treatment programs for youth, and I am deleting Provision 10 because the language is overly prescriptive.

I am deleting the \$8,000,000 legislative augmentation to expand the number of drug courts and related treatment services and I am deleting Provision 9. While I am supportive of this drug intervention program, I would prefer to direct any increases to a program that uses the deferred entry of judgment process.

I am deleting the \$7,600,000 legislative augmentation to backfill providers' loss of income resulting from federal welfare reform changes to the provision of Food Stamps and General Assistance which were previously used to offset program costs. Drug treatment clients, no longer eligible for Food Stamps and General Assistance under federal welfare reform, could provide their share-of-cost through increased hours of work.

I am deleting Provision 12, which requires the Department of Alcohol and Drug Programs to convene a workgroup to examine and develop a system for coordinating the delivery of services to parolees. This language is an infringement of the Executive Branch's ability to manage its programs in the most appropriate manner permitted by law.

Item 4260-001-0001—For support of Department of Health Services. I reduce this item from \$182,437,000 to \$178,443,000 by reducing:

(1) 10-Public and Environmental Health from \$265,689,000 to \$251,845,000;

- (2) 20-Health Care Services from \$398,174,000 to \$397,874,000;
- (24) Amount payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-001-0231) from -\$37,415,000 to -\$27,415,000;
- (38) Amount payable from the Federal Trust Fund (Item 4260-001-0890) from -\$261,236,000 to -\$261,086,000;

and by deleting Provision 7.

I am deleting the \$794,000 legislative augmentation from the General Fund to support the Breast Cancer Early Detection Program. The Budget included increased funding from the Cigarette and Tobacco Products Surtax Fund for the program to fully address anticipated demand and provide enhancements to improve health outcomes, without any General Fund expense. This screening program should continue to be supported with special fund resources. In order to make special fund resources available for the priority screening services, I am also reducing a related augmentation in Item 4260-111-0236 from the Cigarette and Tobacco Products Surtax Fund for clinics. I would sign legislation which appropriates those Cigarette and Tobacco Products Surtax Funds for priority breast cancer screening services.

I am deleting the \$400,000 legislative augmentation from the General Fund for the Office of Border Health. The augmentation appears to be for purposes which duplicate other efforts of the state or federal government.

I am deleting the \$2,500,000 legislative augmentation from the General Fund for the Cancer Registry. The work done by the Cancer Registry is important, and the program already is complying with current law and providing quality services.

I am deleting the \$150,000 legislative augmentation from the General Fund for the Santa Susana Field Laboratory Oversight Panel. There has been no demonstration that this project is of sufficiently high priority to justify the use of State resources.

I am deleting the \$150,000 legislative augmentation from the General Fund for a study of Medi-Cal physician rates and deleting Provision 7, which would require such a study. It is not necessary for Budget Act language to require such a rate study. The role of the Department of Health Services under existing law includes responsibility for review and recommendation of adjustment of Medi-Cal physician rates. I am also reducing the Federal Trust Fund by \$150,000 in Item 4260-001-0890 to conform with this action.

I am deleting the \$10,000,000 legislative augmentation from Cigarette and Tobacco Products Surtax Fund litigation reserves for the State's anti-tobacco Media Campaign. These reserves were set aside for the Americans for Non-Smokers Rights II v. State of California case. Additional state exposure exists in the related and outstanding Just Say No To Tobacco Dough Campaign et al. v. State of California case. Accordingly, these funds should be held in reserve until a settlement has been reached in both cases.

Item 4260-001-0231—For support of Department of Health Services. I reduce this item from \$37,415,000 to \$27,415,000 and delete Provision 1.

I am reducing this item by \$10,000,000 to conform to actions taken in Item 4260-001-0001.

I am also deleting Provision 1, which would establish advertisement approval timelines and require disclosure of specified information to the Tobacco Education and Research Oversight Committee. This language is also unduly restrictive and an infringement on the Executive Branch's authority to administer the program pursuant to existing law.

Item 4260-001-0890—For support of Department of Health Services. I reduce this item from \$261,236,000 to \$261,086,000.

I am reducing this item by \$150,000 to conform with actions taken in item 4260-001-0001.

Item 4260-101-0001—For local assistance, Department of Health Services. I reduce this item from \$6,876,805,000 to \$6,827,941,000 by reducing:

- (a) 20.10.030-Benefits (Medical Care and Services) from \$15,954,495,000 to \$15,824,020,000,
- (b) 20.10.010-Eligibility (County Administration) from \$878,700,000 to \$878,300,000, and
- (c) Amount payable from the Federal Trust Fund (Item 4260-101-0890) from -\$10,125,351,000 to -\$10,043,340,000,

and deleting Provisions 14, 15 and 23.

I am deleting \$9,259,000 in specific legislative augmentations for Medi-Cal rate increases. These include \$1,209,000 for non-emergency transportation, \$1,800,000 for optometry services and reducing \$6,250,000 for hospital outpatient care. Rate increases in Medi-Cal should be considered where necessary to improve access or quality of care. There is little evidence of access to care or quality of care problems for services which are the subject of these proposed rate increases. In addition, I am deleting \$9,259,000 from the Federal Trust Fund 4260-101-0890 to conform to this action.

I am deleting the \$400,000 legislative augmentation for a pilot project to assist traditional providers, contracting with Los Angeles Care Health Plan, to secure low interest loans to purchase computer equipment and to support associated staff. The stated need for these loans is to make traditional health care providers competitive in the managed care environment. This augmentation is unnecessary as guaranteed loans are specifically available to traditional providers through the Small Business Expansion Fund administered by the Trade and Commerce Agency.

I am deleting the legislative augmentation of \$36,800,000 for pregnancy-related services to undocumented immigrants which would have provided funding for pending legislation to extend the state-only program of pregnancy-related services to persons not lawfully present in the United States beginning January 1, 1999, on a permanent basis. The State's ability to fund or terminate these services is currently the subject of litigation; therefore, I have included \$36,800,000 in the General Fund Reserve to cover the costs of these benefits until the current litigation reaches its conclusion.

I am deleting the \$2,405,000 legislative augmentation to conform to actions taken in Item 4300-101-0001 related to In-Home Respite and Day Programs in the Department of Developmental Services. In addition, I am deleting \$2,551,000 from the Federal Trust Fund 4260-101-0890 to conform to this action.

I am deleting the legislative augmentation of \$22,600,000 from the Federal Trust Fund 4260-101-0890 to conform to the action taken in

Item 5180-101-0001 related to funding for mental health services for CalWORKs recipients in the Department of Mental Health.

I am deleting the legislative augmentation of \$25,154,000 from the Federal Trust Fund 4260-101-0890 to conform to the action taken in Item 5180-151-0001 related to the expansion of the Adult Protective Services system in the Department of Social Services.

I am reducing the legislative augmentation of \$37,412,000 from the Federal Trust Fund 4260-101-0890 by \$22,447,000 to conform to the action taken in Item 5180-111-0001 regarding funding for Public Authorities in the Department of Social Services.

Provision 14 requires the Department of Health Services to convene a work group composed of specified individuals and representatives having a vested interest in long-term care to discuss and develop alternatives to the current cost-based rate-setting process. Provision 15 requires the Department of Health Services to provide an update on the status of the work group required in Provision 14 to the Legislature by January 15, 1999. I am deleting Provisions 14 and 15 because a work group comprised of interested representatives, including providers and advocates, has already convened to explore these related issues.

I am deleting Provision 23 to conform to my action taken in Item 4300-101-0001 regarding a new rate structure for In-Home Respite and Day Programs in the Department of Developmental Services.

Item 4260-101-0890—For local assistance, Department of Health Services. I reduce this item from \$10,125,351,000 to \$10,043,340,000, and delete Provision 2.

I am reducing this item by \$82,011,000 to conform to actions taken in Item 4260-101-0001.

I am deleting Provision 2 to conform to my action taken in Item 4300-101-0001 regarding a new rate structure for In-Home Respite and Day Programs in the Department of Developmental Services.

Item 4260-111-0001—For local assistance, Department of Health Services. I reduce this item from \$386,527,000 to \$340,012,000 by reducing:

- (c) 10.30.040-Chronic Diseases from \$195,426,000 to \$166,480,000;
- (e) 10.30.060-AIDS from \$205,548,000 to \$200,548,000;
- (f) 20.30-County Health Services from \$210,432,000 to \$202,732,000;
- (g) 20.40-Primary Care and Family Health from \$1,369,471,000 to \$1,336,528,000;
- (o) Amount Payable from the Health Education Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0231), from -\$64,304,000 to -\$41,773,000;
- (r) Amount Payable from the Unallocated Account, Cigarette and Tobacco Products Surtax Fund (Item 4260-111-0236), from -\$102,687,000 to -\$98,478,000;
- (t) Amount Payable from the Federal Trust Fund (Item 4260-111-0890) from -\$1,052,985,000 to -\$1,051,651,000;

and by deleting Provisions 5 and 7.

I am deleting the \$3,415,000 legislative augmentation from the General Fund to support the Breast Cancer Early Detection Program to conform with the action taken in Item 4260-001-0001. I will sign

legislation appropriating specified Cigarette and Tobacco Products Surtax Funds for priority breast cancer screening services as I had originally proposed.

I am deleting the \$22,531,000 legislative augmentation for Competitive Grants from Cigarette and Tobacco Products Surtax Fund litigation reserves to conform with the actions taken in Items 4260-001-0001 and 4260-001-0231.

I am deleting the \$2,000,000 legislative augmentation from the General Fund intended to reinstate \$1,500,000 for three particular Alzheimer's disease research, diagnosis, and treatment centers which were unsuccessful in the competitive bid process and fund \$500,000 for special projects. The Budget allocated funding through a competitive bid process to the most effective programs and did so in accordance with the advisory committee's policy directive to place a greater emphasis on research rather than treatment. These three centers can bid for available funding in the future. I am deleting Provision 5 to conform to this action.

I am deleting the \$400,000 legislative augmentation from the General Fund for the Women, Infants, and Children (WIC) Farmer's Market. The Budget includes approximately \$1.1 billion for the Supplemental Food Program for WIC, expanding nutritional programs by over \$100,000,000. Further, Chapter 294, Statutes of 1997, shifted authority for the Farmer's Market program to the Department of Health Services to enable continuation of the service without General Fund expense. For these reasons and the other major General Fund resources expended on new food assistance programs in this Budget, I am vetoing these funds. I am also reducing the Federal Trust Fund by \$933,000 in Item 4260-111-0890 to conform with this action.

I am deleting the \$4,200,000 legislative augmentation from the General Fund for the AIDS Drug Assistance Program. The program budget already reflects increased funding of \$11,400,000 General Fund, which provides resources to fully support anticipated caseload demand, more expensive therapeutic regimens and new drug costs. I continue to support full funding for the program; however, there is not an indicated need for this augmentation.

I am deleting the \$7,700,000 legislative augmentation from the General Fund for local communicable disease control and public health personnel including immunization, training, communicable disease control and public health surveillance staff. The Budget includes substantial increases in local funding for indigent health care through the Realignment Program. Additional immunization assistance will be provided through the Healthy Families Program and can also be provided in indigent health care programs. The Emerging Infectious Disease Initiative included in the Budget provides for expanded investigation and surveillance of infectious diseases and food safety programs.

I am deleting the \$23,000,000 legislative augmentation from the General Fund for the following clinical services programs: \$2,500,000 for rural health clinics, \$2,500,000 for Seasonal Agricultural and Migrant Worker clinics, and \$18,000,000 for Expanded Access to Primary Care clinics. The Budget includes substantial increases in state funding for the implementation of the Healthy Families Program which will ultimately extend health insurance coverage to an estimated

500,000 children. Thus, if these providers are a partner with a Healthy Families contractor, they are now able to bill for care to children who were formerly uninsured.

I am reducing the \$5,000,000 legislative augmentation from the Cigarette and Tobacco Products Surtax Fund for Expanded Access to Primary Care clinics by \$4,209,000. While this program has merit, I have proposed using these funds for breast cancer early detection services which are a higher priority for limited Cigarette and Tobacco Products Surtax Fund resources. I would sign legislation appropriating these funds for this priority.

I am deleting the \$401,000 legislative augmentation from the Federal Trust Fund for the Black Infant Health (\$151,000) and Comprehensive Perinatal Outreach (\$250,000) programs. Although these programs have merit, the augmentation is based on the assumption that availability of Maternal and Child Health block grant funds will be greater than anticipated. Until it is known if additional funds are available, it would be premature to allocate funds.

I am deleting the \$4,000,000 legislative augmentation from the General Fund for Adolescent Family Life Program (AFLP) provider rates. This augmentation represents a 34-percent rate increase, intended to bring AFLP rates into conformity with the Cal-Learn Program. However, the current rate differential exists because administrative requirements are fewer for AFLP. Further, increasing AFLP rates would be premature until the Department of Health Services has performed a planned rate study and identified problems with access to services or quality of care.

I am deleting the \$800,000 legislative augmentation from the General Fund for anonymous HIV testing in family planning clinics. The Family Planning, Access, Care and Treatment Program and approximately 500 publicly funded testing sites through the Office of AIDS are fully funded to provide confidential HIV testing for any Californian seeking such services. In addition, funding should be provided through a normal competitive process rather than being targeted to specific providers.

I am deleting the \$1,000,000 legislative augmentation from the General Fund for breast cancer treatment services. The augmentation would provide treatment services for women regardless of income. This program would represent the first use of General Fund monies to provide breast cancer treatment services to women above entitlement-income thresholds for Medi-Cal. Therefore, the \$1,000,000 proposal likely would be insufficient to address the anticipated program costs or to keep pace with treatment demands if the program were so expanded. I am deleting Provision 7 to conform to this action.

Item 4260-111-0231—For local assistance, Department of Health Services. I reduce this item from \$64,304,000 to \$41,773,000.

I am reducing this item by \$22,531,000 to conform to actions taken in item 4260-111-0001.

Item 4260-111-0236—For local assistance, Department of Health Services. I reduce this item from \$102,687,000 to \$98,478,000.

I am reducing this item by \$4,209,000 to conform to actions taken in Item 4260-111-0001.

Item 4260-111-0890—For local assistance, Department of Health Services. I reduce this item from \$1,052,985,000 to \$1,051,651,000.

I am reducing this item by \$1,334,000 to conform to actions taken in Item 4260-111-0001.

Item 4280-101-0001—For local assistance, Managed Risk Medical Insurance Board. I reduce this item from \$38,597,000 to \$35,440,000 and delete Provisions 1, 3, 4 and 5.

I am deleting the legislative augmentations of \$3,057,000 to expand the Healthy Families Program to include children of families with incomes up to 250 percent of the federal poverty level and \$100,000 to expand the program to include children of legal immigrants arriving in the United States after August 22, 1996. It is premature to significantly modify or expand this new program until after completion of the startup of the program as originally enacted.

I am deleting Provision 1, related to outreach updates, to conform to the action taken in Item 4260-101-0001.

I am deleting Provisions 3 and 4 which would require the Managed Risk Medical Insurance Board (MRMIB) to convene quarterly work groups to discuss memorandums of understanding and related matters concerning the provision of mental health services and California Children's Services. These provisions are not necessary as MRMIB already convenes such work groups.

I am deleting Provision 5 which would require the Department of Health Services to solicit comments from interested parties on the crafting of a request for proposal for Rural Demonstration Projects. This provision is not necessary because the Department of Health Services already has released the draft to the interested parties.

Item 4280-101-0890—For local assistance, Managed Risk Medical Insurance Board. I reduce this item from \$75,026,000 to \$68,889,000.

I am reducing this item by \$6,137,000 to conform to actions taken in Item 4280-101-0001.

Item 4300-101-0001—For local assistance, Department of Developmental Services. I reduce this item from \$612,653,000 to \$612,552,000 by reducing:

10.10 Regional Centers

- (b) 10.10.020-Purchase of Services from \$1,080,736,000 to \$1,075,678,000,
- (e) Reimbursements from -\$723,564,000 to -\$718,608,000,
- (h) Amount payable from Federal Trust Fund (Item 4300-101-0890) from -\$42,284,000 to -\$42,283,000,

and by deleting Provision 11.

I am deleting \$5,057,000 (\$101,000 General Fund and \$4,956,000 reimbursements) provided to increase the rates of Supported Living Services (SLS) providers. The actual rate paid for SLS is negotiated between the regional center and the provider. Sustaining an increase in funding for this program would discourage competitive rate negotiations.

I am deleting Provision 11 which would allow the Director of Finance to augment this Item by \$10,300,000 to implement a new rate structure for In-Home Respite and Day Programs as this augmentation will not be necessary in 1998-99. The Budget contains \$27,400,000 to increase rates in these programs using the existing rate system.

These deletions result in reductions of \$101,000 in this item, \$2,405,000 in Item 4260-101-0001 and \$2,551,000 in Item 4260-101-0890.

I am also deleting \$1,000 to conform to actions taken in Item 4300-101-0890.

Item 4300-101-0890—For local assistance, Department of Developmental Services. I reduce this item from \$42,284,000 to \$42,283,000.

I am deleting \$1,000 and Provision 4 of this item. This Provision would require the Bureau of State Audits to conduct an analysis of regional center operations and purchase-of-services expenditures for the Early Start Program. The regional center budget has been the subject of several audits and analyses in the past year, including an analysis by the Bureau of State Audits, with additional analyses to be completed in 1998–99. Consequently, another review by the Bureau of State Audits would be unnecessary and duplicative.

Item 4440-101-0001—For local assistance, Department of Mental Health. I reduce this item from \$60,206,000 to \$38,356,000 by reducing:

- (a) 10.25-Community Services-Other Treatment from \$495,742,000 to \$467,742,000,
- (b) 10.40-Community Services-Adult System of Care from \$8,222,000 to \$7,772,000,
- (c) 10.47-Community Services-Children's Mental Health Services from \$40,354,000 to \$24,354,000,
- (e) Reimbursements from $-\$497,468,000$ to $-\$474,868,000$,

and by deleting Provisions 4 and 5.

I am deleting the \$5,000,000 legislative augmentation to provide supportive housing for individuals with special needs because it is duplicative of existing support programs including health care, substance abuse treatment, education, and counseling which are currently provided through other State agencies.

I am deleting the \$400,000 legislative augmentation to enhance cultural competency in mental health services because current State law already requires that county mental health plans provide for culturally competent and age appropriate services. I am deleting Provision 5 to conform to this action.

I am deleting the \$450,000 legislative augmentation to provide additional training and development of Adult System of Care Agencies. Since this program has been shown to provide an effective system of mental health care while reducing costs, counties desiring to implement the program should use existing mental health realignment funds to contract with the Integrated Services Agencies or work with counties which have already implemented the program.

I am reducing \$16,000,000 of the \$20,000,000 legislative augmentation for the Children's System of Care. The remaining \$4,000,000 augmentation will allow for the incremental expansion of this program. I am also deleting Provision 4.

I am deleting the \$22,600,000 legislative augmentation in reimbursements for CalWORKs recipients to conform to actions taken in Item 5180-101-0001.

Item 4700-101-0001—For local assistance, Department of Community Services and Development. I am reducing this item from \$4,400,000 to \$3,050,000 by reducing:

(a) 40-Community Services from \$2,400,000 to \$1,050,000, and by deleting Provision 1.

I am deleting the \$1,350,000 legislative augmentation for the Adult Homeless Education program. This program has been previously funded in the Department of Education. The Department of Community Services and Development is not the appropriate state agency to administer this program.

I am deleting Provision 1 to conform to this action.

Item 5100-001-0001—For support of Employment Development Department. I reduce this item from \$24,872,000 to \$23,622,000 and delete Provision 1.

I am deleting the \$1,250,000 legislative augmentation for at-risk youth employment demonstration projects. The Budget contains \$816,100,000 for employment programs, of which \$342,500,000 is for youth employment projects. The projects for which the legislature has augmented this item should be evaluated and funded through the competitive grant process within these existing programs.

Item 5100-001-0870—For support of Employment Development Department. I revise this item by reducing:

- (a) 10-Employment and Employment Related Services from \$202,732,000 to \$201,482,000, and;
- (h) Amount payable from the General Fund (Item 5100-001-0001) from -\$24,872,000 to -\$23,622,000.

This action conforms to reductions taken in Item 5100-001-0001.

Item 5160-001-0001—For support of Department of Rehabilitation. I revise this item from \$43,662,000 to \$39,759,000 by reducing:

- (a) 10-Vocational Rehabilitation Services from \$286,639,000 to \$271,616,000,
- (c) 30-Support of Community Facilities from \$6,454,000 to \$5,751,000,
- (g) Amount payable from the Federal Trust Fund (Item 5160-001-0890) from -\$241,627,000 to -\$229,804,000,

and by deleting Provision 5.

I am reducing the \$3,200,000 legislative augmentation in this item and the corresponding federal match of \$11,823,000 in Item 5160-001-0890 for the Vocational Rehabilitation Program. This program is not an open-ended entitlement, and the Budget provides \$263,613,000 for the Department of Rehabilitation to serve clients in this program. Nonetheless, I understand that recent federal law changes might necessitate revision to the scope of this program, affecting the number of clients to be served. It would be premature to approve this augmentation before the Department of Rehabilitation and the Health and Welfare Agency have thoroughly analyzed those federal changes and their service delivery ramifications.

I am reducing the \$521,000 legislative augmentation to increase the incentive funds used to match private contributions for independent living services. The Budget includes \$479,000 base funding for the incentive funds component of this program, and I have included \$2,900,000 General Fund and \$6,400,000 federal funds in the Budget

for a population-based allocation for the Independent Living Centers. The Independent Living Centers, therefore, will continue to receive a total of \$9,779,000 for base funding.

I am reducing the \$182,000 legislative augmentation to backfill federal funds for three community organization projects. The federal funds were provided through the Department of Rehabilitation as seed money for the projects with the understanding that State funds would not be provided as a backfill, and other sources of funding would have to be sought to continue the projects.

I am deleting Provision 5 to conform to this action.

Item 5160-001-0890—For support of Department of Rehabilitation. I reduce this item from \$241,627,000 to \$229,804,000.

I am reducing this item by \$11,823,000 to conform to the action I have taken in Item 5160-001-0001.

Item 5180-001-0001—For support of the Department of Social Services. I reduce this item from \$100,513,000 to \$88,988,000 by reducing:

- (a) 16-Welfare Programs from \$83,333,000 to \$77,333,000;
- (b) 25-Social Services and Licensing from \$129,454,000 to \$123,747,000;
- (h) Amount payable from the Federal Trust Fund (Item 5180-001-0890) from -\$296,203,000 to -\$296,021,000;

and by deleting Provision 4.

I am deleting the \$6,000,000 legislative augmentation for the Temporary Emergency Food Assistance Program. The food purchases under this program traditionally have been 100 percent federally funded. Providing General Fund for this purpose could set a funding precedent for an expectation of future General Fund support. Federal funding for this program, along with the federal food stamp and the Women, Infants and Children programs are available. Further, I have agreed to support two new time-limited state food programs including establishment of a \$68,000,000 State food stamp program for legal immigrants. The continuing federal programs and the new state programs provide for a major increase in funding in 1998-99 which should address concerns in this area. I am deleting Provision 4 to conform to this action.

I am deleting the \$3,000,000 legislative augmentation to expand the current Home Visiting Pilot Program, which provides voluntary home-based support services in seven locations to families with newborns and children up to five years old who are at risk of child abuse or neglect. Without this augmentation, the pilot programs will continue while their programmatic and cost-effectiveness continues to be evaluated. While I support developing innovative programs that will assist parents in providing a safe home for their at-risk children, the quality and effectiveness of the service provided must first be documented through the pilot program's evaluation.

I am reducing the legislative augmentation of \$5,762,000 and 96.4 personnel years to provide comprehensive reviews of all community care facilities by \$2,525,000 General Fund and \$182,000 Federal Trust Fund and by 40.8 personnel years. The remaining positions and funding, in conjunction with funding already budgeted, will permit the department to conduct comprehensive reviews of those community care facilities with the most vulnerable clients.

Item 5180-001-0890—For support of Department of Social Services. I reduce this item from \$296,203,000 to \$296,021,000.

This action conforms to the reductions taken in Item 5180-001-0001.

Item 5180-101-0001—For local assistance, Department of Social Services. I reduce this item from \$2,518,667,000 to \$2,496,746,000.

(a) 16.30-CalWORKs from \$5,568,477,000 to \$5,536,556,000

(2) 16.30.020-Services from \$1,115,933,000 to \$1,084,012,000

(h) Amount payable from the Federal Trust Fund (Item 5180-101-0890) from -\$4,444,998,000 to -\$4,434,998,000

and by deleting Provisions 13 and 14.

I am deleting a \$10,000,000 Federal Trust Fund augmentation for transportation services for CalWORKs recipients. Although I am sensitive to concerns raised as to the adequacy of transportation services, county boards of supervisors may allocate CalWORKs funds from within the county block grant should additional transportation services be needed. Additionally, use of the federal Temporary Assistance for Needy Families (TANF) block grant for CalWORKs-eligible recipients would cause their five year federal TANF eligibility to be used even if the transit services were the only benefits provided.

I am deleting \$21,921,000 General Fund from this item, which was to match \$22,600,000 federal Medicaid funds from the Department of Health Services for mental health services for CalWORKs recipients. I have proposed to fully fund mental health services for CalWORKs recipients, but confine General Fund expenditures for CalWORKs, with only limited exceptions, to the \$2.9 billion state-county TANF Maintenance of Effort (MOE) requirement. The Legislature's action on CalWORKs mental health services violates federal guidelines for this amount to be considered as TANF MOE, and therefore, would require the State to spend General Fund above the TANF MOE requirement for a declining welfare caseload. This is unnecessary as the counties may allocate funds for mental health services from their block grant.

I am deleting Provision 13 which would require the California Department of Education and the Department of Social Services to report to the Legislature on a proposed child care fee schedule by December 15, 1998, for the purposes of adopting a schedule through legislation. This would create additional barriers to implementing a fee schedule, because the Superintendent of Public Instruction already has the statutory authority to implement a new fee schedule, and the report due date does not allow the departments sufficient time to effectively comply with this provisional language.

I am deleting Provision 14 which would authorize counties to use up to \$5,000,000 General Fund of county CalWORKs fiscal incentive payments to match California Conservation Corps funding to help CalWORKs recipients meet their work requirements. Counties already have the authority to use incentive funds for this purpose by contracting directly with the local corps. Therefore, the provision is unnecessary.

Item 5180-101-0890—For local assistance, Department of Social Services. I reduce this item from \$4,444,998,000 to \$4,434,998,000, and delete Provision 5.

I am reducing this item by \$10,000,000 and deleting Provision 5 to conform to the action I have taken in Item 5180-101-0001.

Item 5180-111-0001—For local assistance, Department of Social Services. I reduce this item from \$2,651,793,000 to \$2,625,993,000 by reducing:

- (b) 25.15-IHSS from \$1,418,541,000 to \$1,363,786,000;
- (1) 25.15.010-Services from \$1,296,025,000 to \$1,241,270,000; and
- (c) Reimbursements from -\$848,235,000 to -\$819,280,000.

I am deleting a \$25,800,000 legislative augmentation to fund increased operational costs for public authorities associated with In-Home Supportive Services (IHSS). Under current law, counties can establish a public authority for the administration of IHSS in that county, with any associated cost increases funded at county expense. This augmentation inappropriately provides state funds for costs negotiated by public authorities, thereby removing the cost containment mechanisms currently in place.

I am reducing reimbursements in this item by \$28,955,000 to conform to the action taken in this item and in Item 4260-101-0890.

Item 5180-111-0551—For transfer by the Controller from the Temporary Assistance for Needy Families Fund to the Federal Trust Fund. I reduce this item from (\$4,406,217,000) to (\$4,396,217,000).

I am reducing this item by \$10,000,000 to conform with actions taken in Item 5180-101-0001 and Item 5180-101-0890.

Item 5180-141-0001—For local assistance, Department of Social Services. I reduce this item from \$304,297,000 to \$300,297,000 by reducing:

- (a) 16.80-County Administration from \$1,070,398,000 to \$1,062,398,000;
- (d) Amount payable from the Federal Trust Fund (Item 5180-141-0890) from -\$839,803,000 to -\$835,803,000;

and by deleting Provision 8.

I am deleting a \$4,000,000 General Fund and \$4,000,000 Federal Trust Fund legislative augmentation for the Food Stamp Employment and Training (FSET) program. This augmentation was made to provide services to able-bodied adults without dependents between the ages of 18 and 50 who must work 20 hours per week to maintain federal food stamp eligibility. Although those persons can participate in FSET to meet the work requirements, they also can meet the work requirements through self-initiated community service. Therefore, this augmentation is not necessary.

I am deleting Provision 8 which prohibits the allocation of \$3,996,000 to counties for the administration of food stamp benefits unless federal administrative funding for food stamps is reduced pursuant to Public Law 105-185. Although the General Fund will be required to backfill for the eventual loss of federal funds, it is premature to propose a specific dollar amount to offset that expected deficiency. Additionally, counties have indicated immediate need for these funds due to increased costs resulting from welfare reform and changes in eligibility requirements.

Item 5180-141-0890—For local assistance, Department of Social Services. I reduce this item from \$839,803,000 to \$835,803,000.

I am reducing this item by \$4,000,000 to conform to actions taken in Item 5180-141-0001.

Item 5180-151-0001—For local assistance, Department of Social Services. I reduce this item from \$690,969,000 to \$656,990,000 by reducing:

- (a) 25.25-Children's Services from \$1,301,308,000 to \$1,299,987,000,
 - (1) 25.25.010-Child Welfare Services from \$1,211,400,000 to \$1,210,079,000
- (b) 25.35-Special Programs from \$164,511,000 to \$106,657,000,
 - (5) 20.35.050-County Services Block Grant from \$122,256,000 to \$64,402,000
- (c) 25.45-Community Care Licensing from \$15,158,000 to \$14,879,000,
- (d) Reimbursements from -\$80,725,000 to -\$55,571,000,
- (f) Amount payable from the Federal Trust Fund (Item 5180-151-0890) from -\$709,132,000 to -\$708,811,000;

and by deleting Provision 9.

I am deleting a \$1,000,000 General Fund and a \$321,000 Federal Trust Fund legislative augmentation to expand the Options for Recovery Program to serve adoptive and pre-adoptive families with children up to age 18. Although this proposal is consistent with my Adoptions Initiative, it is not acceptable without including the provision related to respite care, which is an integral part of the existing program. I would be willing to sign properly structured legislation in this area. I am deleting Provision 9 to conform to this action.

I am deleting a \$32,700,000 General Fund legislative augmentation and \$25,154,000 in corresponding reimbursements to expand the Adult Protective Services Program. This maintains a \$20,000,000 General Fund augmentation included in my May Revision that more than doubles the State's efforts in this area and adequately recognizes the importance of this program.

I am deleting a \$279,000 augmentation to provide comprehensive visits of all community care facilities. Funding is provided in Item 5180-001-0001 for comprehensive reviews for those facilities with the most vulnerable clients which should address concerns in this area.

Item 5180-151-0890—For local assistance, Department of Social Services. I reduce this item from \$709,132,000 to \$708,811,000 and delete Provision 2.

I am deleting Provision 2 which would require \$350,000 of federal Child Abuse Prevention and Treatment Act (CAPTA) funds to be used for the Family Maintenance Healthcare Pilot Project in Los Angeles County. This pilot project appears to be meritorious; however, all federal CAPTA funds currently available for 1998-99 have been committed to other continuing child abuse and prevention projects. Los Angeles County should apply for funding in the next grant cycle.

I am reducing this item by \$321,000 to conform to actions taken in Item 5180-151-0001.

Item 5240-001-0001—For support of the Department of Corrections. I reduce this item from \$3,550,781,000 to \$3,534,681,000 by reducing:

- (a) 21-Institution Program from \$2,749,755,715 to \$2,744,755,715, and
- (b) 31-Community Correctional Program from \$432,467,730 to \$421,367,730,

and by deleting Provisions 10, 13, 15, 16, 17, and 19.

I am deleting the \$2,800,000 legislative augmentation to expand the Preventing Parolee Failure Program. While I am supportive of efforts to reduce recidivism among the state's parolee population, I am unable to support this augmentation because the efficacy and cost effectiveness of the Preventing Parolee Failure Program has not been demonstrated sufficiently to justify a program expansion.

I am deleting the \$2,000,000 legislative augmentation to implement a pilot program for drug addicted female offenders with children. The Budget provides \$13,700,000 to address barriers to parole success and to provide alternatives to reincarceration for both male and female parolees. The Budget also contains \$1,100,000 for the Pregnant and Parenting Women's Alternative Sentencing Program, which provides specialized services for female offenders.

I am deleting the \$4,800,000 legislative augmentation for parole casework services. While increased parole casework services may be desirable, the need for increased casework services has not been adequately demonstrated.

I am deleting Provision 10 which would restrict the transfer of more than five percent of the funding provided for the Preventing Parolee Failure Program and parole casework services in 1998-99. Since it is unknown what demands upon the parole system might arise, this provision is an inappropriate limitation of the Executive Branch's ability to manage its programs, and could jeopardize public safety.

I am deleting Provision 13 which would require the Department of Finance, in consultation with the Prison Industry Authority and the Legislative Analyst's Office, to develop a display in the 1999-2000 Governor's Budget of revenues and expenditures for the Prison Industry Authority, the Prison Industry Board, and the Prison Industries Revolving Fund. This provision inappropriately requires participation of legislative staff in decision-making with regard to the inclusion and manner of display of financial information in the annual Governor's Budget. Decisions regarding the Administration's proposed financial plan should remain a prerogative of the Administration.

I am deleting Provision 15 which would require the Department of Corrections to redirect \$257,000 from existing resources to continue to fund four positions authorized to ensure compliance with Title I of the Americans with Disabilities Act (ADA). The contradictory actions of the Legislature in deleting funding for ADA while requiring that funding be redirected from other programs to continue the function is inappropriate.

I am reducing this Item by \$5,000,000 and deleting Provision 16 which would require an allocation of \$5,000,000 be provided for (1) 1,000 additional drug treatment slots, including availability of aftercare treatment of at least 120 days for 50 percent of the in-prison program graduates from the proposed new program, and (2) a minimum of 120 days of aftercare treatment for 50 percent of the in-prison program graduates from existing drug treatment programs. The Department is currently in the process of expanding its drug treatment program by 1,120 slots. Further expansion of this program is premature.

I am deleting Provision 17 which would allow the use of funds for development of the Corrections Management Information System project only upon approval of the associated project feasibility study report by the Department of Information Technology and the Department of Finance, and if the scope of the approved version of the

feasibility study report does not significantly differ from the report as submitted to the two agencies. This language potentially interferes with the ability of the Executive Branch to evaluate the project proposal by effectively precluding a change to the feasibility study as initially submitted. The provision is otherwise largely consistent with my existing policy. Accordingly, I am directing the Department of Corrections to not expend funds for the development of the Corrections Management Information System project prior to approval of the related feasibility study report by the Department of Information Technology and the Department of Finance.

I am reducing this Item by \$1,500,000 and deleting Provision 19 which would require an allocation of \$1,500,000 of funding be provided to develop, implement, and evaluate up to two pilot projects for a new parole model in Regions III and IV. The Department of Corrections is currently evaluating a new parole classification project. It would be premature to implement another related parole project prior to evaluation of the current project.

Item 5240-011-0678—For Transfer by the Controller from the Prison Industries Revolving Fund to the General Fund. I delete this Item.

I am deleting the \$8,000,000 transfer from the Prison Industries Revolving Fund to the General Fund. The Prison Industry Authority is a self-supporting organization which requires a sufficient reserve in its enterprise fund for cash management purposes. This transfer of funds would have reduced the Authority's reserve to an imprudent level.

Item 5240-301-0001—For capital outlay, Department of Corrections. I revise this item by deleting Provision 3.

I am deleting Provision 3 because the language is unnecessarily restrictive. This language would limit the State Public Works Boards' (SPWB) authority to approve a recognized deficit to no greater than 10 percent of the original construction cost estimates for selected mental health projects. Under current law, the SPWB can approve recognized deficits of up to 20 percent. This language could hamper the continuation of these court-ordered projects and would interfere with the ability of the Executive Branch to manage these projects pursuant to existing statutes.

Item 5430-104-0001—For local assistance, Board of Corrections. I delete this item and Provision 1.

I am deleting the \$1,200,000 legislative augmentation for support operations costs at the Northern California Regional Facility. The cost of ongoing operations for local juvenile facilities is appropriately a responsibility of local government.

I am deleting Provision 1 to conform to this action.

Item 5430-105-0001—For local assistance, Board of Corrections. I delete this item and Provisions 1, 2, and 3.

I am deleting the \$2,000,000 legislative augmentation for the Mental Illness Crime Reduction Grant program which would provide competitive statewide grants to counties for planning and developing alternative sanctions for adult mentally ill offenders. It appears that this is an appropriate responsibility of local government. In fact, if the intent is to reduce other county costs by offering these services, this should be a high priority use of community mental health resources allocated through Realignment funding.

I am deleting Provisions 1, 2, and 3 to conform to this action.

Item 5430-107-0001—For local assistance, Board of Corrections. I reduce this Item from \$30,000,000 to \$10,000,000 and revise Provision 1.

I am reducing the \$30,000,000 legislative augmentation for the Juvenile Crime Enforcement and Accountability Challenge Grant Program and Juvenile Female Offender Intervention Program by \$20,000,000. The Juvenile Crime Enforcement and Accountability Challenge Grant Program was established to evaluate alternative approaches to dealing with at-risk juveniles and delinquents. Grants for the existing Juvenile Challenge Grant program have recently been awarded and local program efforts are still in their early phases. I am approving \$10,000,000 to meet the most urgent needs, including efforts which would facilitate a reduction in the number of juveniles placed out of state.

In addition, I am revising Provision 1, which would direct funding to be provided for the Female Offender Intervention Program. Both male and female offenders would be served by the Challenge Grant Program, and I am not supportive of diverting funds that could be used for this program to fund a program that would exclusively target female offenders.

- “1. (a) ~~The funds appropriated by this item shall be available to support the Juvenile Crime Enforcement and Accountability Challenge Grant (Challenge Grant) Program, as modified and amended by Assembly Bill 2261 of the 1997–98 Regular Session; and the Juvenile Female Offender Intervention Program as established by Senate Bill 1657 of the 1997–98 Regular Session.~~
- (b) Of the funds appropriated by this item, up to 5 percent may be transferred, upon approval of the Department of Finance, to Item 5430-001-0001 to support the administration, including technical assistance and oversight, and evaluation of the implementation of grant awards pursuant to this provision.
- (c) Of the funds appropriated by this item, the Board of Corrections may award up to \$2,000,000 statewide, in individual grants not exceeding \$50,000, to counties to assist in developing and upgrading local action plans as necessary to compete for the Challenge Grant and Juvenile Female Offender Intervention Program grants, including the development of strategies to address out-of-home placement needs for delinquent youth pursuant to Section 602 of the Welfare and Institutions Code within the county or region where the county is located. The board may also award up to \$500,000 statewide, in individual grants not to exceed \$100,000, to extend program evaluation follow up activities for existing programs which demonstrate promise for program replication.
- ~~(d) Of the funds remaining, the board shall, on a statewide, competitive basis, award grants pursuant to subdivision (a) of this provision.~~
- (e) Of the funds available for grant awards in subdivision (d), the board shall ensure that, on a statewide basis, an amount

not less than 50percent, or \$10,000,000, whichever is greater, is awarded to support strategies identified in county local action plans for female juvenile offenders pursuant to the Juvenile Female Offender Intervention Program:

- (f) When awarding grants pursuant to this provision, the board shall give priority to those grant applications submitted under subdivision (d), of this provision that support strategies identified in county local action plans for the development and implementation of out-of-home placement options for delinquent youth pursuant to Section 602 of the Welfare and Institutions Code.
- (g) Notwithstanding any other provision of law, funds appropriated by this item shall be allocated pursuant to this provision."

Item 6110-001-0001—For support of Department of Education. I reduce this item from \$35,895,400 to \$26,201,400 by reducing:

- (b) 20-Instructional Support from \$52,283,400 to \$49,703,400,
- (d) 41.00-Executive Management and Special Services from \$9,595,000 to \$1,595,000,
- (i) Amount payable from Federal Trust Fund (Item 6110-001-0890) from -\$90,890,000 to -\$89,054,000,

and by deleting:

- (gx) Unallocated (\$950,000),

and by revising Provision 22.

I am reducing the legislative augmentation of \$569,000 in Schedule (b) by \$369,000 and eliminating the 6.2 positions added for the Standardized Testing and Reporting (STAR) program. By sustaining \$200,000, I am providing funding for STAR at the current year level and providing \$175,000 for support to assist the advisory panel to the State Board in development of performance standards and the matrix test. Since there are unfunded positions in the assessments division, no additional position authority is needed.

I am making a further reduction to Schedule (b) by eliminating the \$100,000 legislative augmentation for administration of the Life Sciences and Conservation Education Program. This locally implemented program has never become operative; therefore, additional funding is not necessary.

In addition, I am making a further reduction to Schedule (b) of \$275,000 for administration of the Foster Youth Services Program. The Legislature provided a \$375,000 augmentation and one position for this purpose. While \$100,000 and an additional position is warranted, the proposed funding augmentation included excessive operating, training, and evaluation expenses, and I am therefore reducing this augmentation accordingly. I am revising the following provision to conform with this action:

- "22. Of the funds appropriated by this item, \$100,000 and one position are provided for administration of the Foster Youth Services Program ; \$25,000 is provided for operating expenses, and \$250,000 is provided for training and evaluation of the program ."

I am also making a reduction of \$8,000,000 in Schedule (d) to reduce departmental executive management because of the need for the Legislature to consider how the provision of legal services to the

Superintendent, the Department, and the Board of Education can be reorganized to be more efficient, to avoid conflicts, and to clarify certain staff reporting relationships. I am setting this amount aside to allow the enactment of legislation which would reallocate a portion of these funds to the Office of the Attorney General through the transfer of 11 or more legal counsel positions from the Department of Education's legal office because the Attorney General can represent the Department of Education more efficiently. Since the hourly reimbursement rate for the Department of Education's legal counsel is significantly higher than the rate for the Office of the Attorney General, a transfer of 11 positions or more from the Department's Legal Office to the Office of the Attorney General would provide more effective use of state resources. Such legislation would necessarily eliminate the exemption in Government Code section 11041(a) that currently authorizes the Department to employ litigation legal counsel outside of the Attorney General. The legislation could authorize the Department to continue to have up to three positions necessary to provide house legal counsel. The legislation would need not affect the legal position dedicated to the State Board of Education which would continue to provide house legal counsel to the Board. Any such legislation shall also modify Education Code Section 33111 so that all the State Board of Education staff report directly, and have their work supervised by the State Board of Education pursuant to the bylaws adopted by the Board.

I am also deleting Schedule (gx), which provides a \$950,000 legislative augmentation for administration of new programs. It is unclear whether, or how much, funding would be necessary for any new program without analyzing specific requests which identify and justify the proposed workload for each of the programs. I am deleting Provision 19 and Provision 24 to conform with this action.

I am also revising the schedules in this item to conform to the actions I have taken in Item 6110-001-0890.

Item 6110-001-0890—For support of Department of Education. I reduce this item from \$90,890,000 to \$89,054,000.

I am deleting the legislative augmentation of \$736,000 and seven positions for the Complaint Resolution Program until the Department show it can streamline its operations and become more efficient through acceptable legislation.

I am deleting the legislative augmentation of \$650,000 and six positions for state operations costs for the Comprehensive School Reform Demonstration Program as a conforming action since I have deleted the \$15,650,000 legislative augmentation in Item 6110-136-0890 for the local assistance program.

While I am retaining the augmentation of \$450,000 from Goals 2000 for state operations, I am eliminating the 4.5 positions which were added for development of standards for an English Language Development Test. Since there are unfunded positions in this division, additional position authority is not needed. These funds, together with the sustained \$200,000 augmentation for state operations associated with testing, should be used to accomplish activities related to the Golden State Exam, the matrix test and performance standards, and other test-related tasks.

I am deleting Provision 7 (e) as a conforming action:

- “7. Of the funds appropriated in this item, \$3,050,000 shall be for the administration of programs funded with federal Goals 2000 Educate America Act funds. Funds shall be allocated for the following purposes:
- (a) \$1,220,000 for general administration of the federal Goals 2000: Educate America Act funds and administration of local assistance grants and other programs using those federal funds. Of this amount \$120,000 shall be for the state operations costs necessary to manage the contract identified in Provision 7 (b) for the evaluation of the Class Reduction Program established pursuant to Chapter 6.10 (commencing with Sec. 52120) of Part 28 of the Education Code.
 - (b) \$500,000 for a contract for an independent evaluation of the Class Size Reduction Program as required by Section 52128 of the Education Code. Funds shall not be released for this purpose until the State Department of Education has certified to the Department of Finance that matching funds have been secured from third party sources for the class size reduction evaluation activities.
 - (c) \$500,000 shall be for an evaluation of the impact of the California Reading Initiative on the reading achievement of pupils in the public schools. The California Reading Initiative consists of all appropriations in the Budget Act or in any other measure, and all legislation, chaptered in 1996 or 1997 addressing pre-service and in-service training, instructional materials, credential requirements, or any other activities related to reading instruction. The State Department of Education shall develop a plan for the evaluation and shall submit that plan to the State Board of Education for amendments and approval prior to initiating the evaluation.
 - (d) \$500,000 is to support the California State University Center for Teaching Careers, established pursuant to Article 4 (commencing with Section 90530) of Chapter 11 of Part 55 of the Education Code.
 - (e) \$330,000 shall be available for development of standards for an English language development (ELD) test.”

Finally, I am deleting five positions and the \$450,000 legislative augmentation for the out-of-home placement issue. Special education compliance monitoring should be addressed comprehensively based on the outcome of studies proposed for this year.

I am deleting Provision 14 as a conforming action.

Item 6110-106-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$125,000,000 to \$50,000,000 and delete Provision 1.

I am deleting the \$75,000,000 augmentation for a remedial summer school program. This amount is set aside for restoration upon enactment of legislation for a comprehensive school accountability program addressing low-performing schools, social promotion, and remedial instruction.

I am deleting Provision 1 to conform to this action.

Item 6110-114-0001—For local assistance, Department of Education, (Proposition 98). I delete this item and Provisions 1 through 8.

I am deleting the legislative augmentation of \$37,096,000 to fund 14 school districts for additional 1995–96 claims for court-ordered desegregation programs. The Legislature has statutorily limited the State's funding formula for this program, and there is no requirement to provide funds beyond that limitation.

Item 6110-118-0001—For local assistance, Department of Education (Proposition 98). I delete this item and Provision 1.

I am deleting the \$50,000,000 legislative augmentation to increase minimum teacher salaries. Establishing teacher salary levels is a matter of local collective bargaining.

Item 6110-120-0001—For local assistance, Department of Education (Proposition 98). I delete this item.

I am deleting this \$1,250,000 augmentation for the Pupil Dropout Prevention Program. There is currently approximately \$19,000,000 available in the Mega-Item to fund this program. To the extent that additional funding is necessary, districts are able to redirect funds from other programs or local funding sources.

Item 6110-123-0001—For local assistance, Department of Education (Proposition 98). I delete this item and Provision 1.

I am deleting the \$50,000,000 augmentation for low-performing schools. I am setting aside the amount in this item for restoration upon enactment of legislation for a comprehensive school accountability program addressing low-performing schools, social promotion, and remedial instruction.

Item 6110-131-0001—For local assistance, Department of Education. I delete this item and Provision 1.

I am deleting the \$30,000,000 legislative augmentation to fund college preparatory and related programs. I am supportive of efforts to encourage low-income students to pursue a college education and, therefore, have set aside this amount for restoration upon enactment of legislation for a program which addresses a broader spectrum of college preparation and skills development necessary to meet college entrance requirements, as well as a comprehensive school accountability program addressing low-performing schools, school promotion and remedial instruction.

I delete Provision 1 to conform to this action.

Item 6110-136-0890—For local assistance, Department of Education. I reduce this item from \$860,319,000 to \$844,669,000 by deleting:

(c) 20.60.022-Improve School Effectiveness-Comprehensive School Reform Demonstration Grant Program (\$15,650,000),

and by deleting Provision 2.

I am deleting the \$15,650,000 augmentation in this schedule because the grants awarded pursuant this program would be used in efforts to develop local content and performance standards. This is in direct conflict with ongoing efforts to establish statewide content and performance standards and to align teacher training and staff development, curriculum frameworks, instructional materials, and assessments to these standards. These efforts are all part of a

comprehensive statewide effort to improve student achievement built on a foundation of rigorous state-adopted academic standards.

I am deleting Provision 2 to conform to this action.

Item 6110-142-0890—For local assistance, Department of Education. I reduce this item from \$57,692,000 to \$57,691,000 by reducing:

(a) 20.10.003-Reading Improvement from \$36,492,000 to \$36,491,000,

and by revising Provision 3.

I am reducing Schedule (a) by \$1,000 for Reading Improvement because the scope of the activity was expanded beyond that which is appropriate. The Legislature added language to expand the purpose of my reading staff development proposal to include mathematics inservice training. The Budget already includes \$30,000,000 specifically for mathematics staff development training.

I am revising Provision 3 to conform to this action.

“3. Of the funds appropriated in schedule (a), ~~\$30,942,000~~ \$30,941,000 is available for the purchase of (1) ~~inservice training in math instruction which is consistent with the Math Program Advisory approved by the State Board of Education,~~ (2) age-level-appropriate reading materials that are connected to phonics-based reading instruction and (3) (2) inservice training in reading instruction for teachers of pupils in grades 4 to 12, inclusive. Funds shall be allocated to school districts pursuant to Section 44759.5 of the Education Code except that “number of pupils” in paragraphs (1) and (2) of subdivision (b) shall be deemed to be the number of pupils scoring below the fortieth percentile on the statewide assessment administered in 1998 pursuant to Article 4 (commencing with Section 60640) of Chapter 5 of Part 33 of the Education Code. Notwithstanding any provision of Chapter 3.46 of Part 25 of the Education Code, funds allocated pursuant to this provision may be expended for reading inservice training and reading materials, or just for inservice training. Funds expended for inservice training in reading instruction shall be expended in accordance with the following sections of Chapter 3.46 of Part 25 of the Education Code, except that where these sections read “4 to 8” they shall be deemed to read “4 to 12”: Section 44758 (b), Section 44759 (a), (c), (d), (e) and (f), Section 44759.1, Section 44759.2, Section 44759.3, Section 44759.4, and Section 44759.6. Further, in order to conduct a program funded pursuant to this provision in any particular school in a school district, the governing board must certify that a phonics-based reading instructional program is being conducted in the school for pupils scoring below the twenty-fifth national percentile score on the statewide assessment, or that such a program shall begin in the school as soon as feasible upon completion of the training. The State Board of Education shall establish criteria governing the purchase by school districts of age-level-appropriate reading materials that are connected to phonics-based reading instruction.”

Item 6110-161-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$2,062,858,000 to \$2,055,384,000 by reducing:

- (a) 20.60.050.003-Special education instruction from \$2,020,343,000 to \$2,012,869,000.

I am reducing this item by \$7,474,000. This legislative augmentation would backfill an Education Revenue Augmentation Fund reduction. County funds in excess of the minimum allocation are redirected to special education programs within the county. This augmentation would set an undesirable precedent to increase the State's share of funding for special education.

Item 6110-196-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$796,638,000 to \$793,638,000 by reducing:

- (b) 30.10.020-Child Care Services \$1,063,710,000 to \$1,060,710,000
- (c) 30.10.020.008-Special Program, Child Development, Resource and Referral from \$17,607,000 to \$14,607,000,

and by deleting Provision 16.

I am deleting the legislative augmentation of \$3,000,000 for child care resource and referral activity because the \$4,000,000 I have provided for this purpose is adequate.

I am deleting Provision 16, which would commit up to \$5,000,000 in future federal fund increases for enhancement of child care provider wages. Decisions on the use of these moneys should be made during deliberations on future budgets.

Item 6110-204-0001—For local assistance, Department of Education (Proposition 98). I delete this item and Provision 1.

I am deleting the \$1,270,000 appropriation for the International Baccalaureate Program. This amount is set aside for restoration upon enactment of legislation for a program which addresses a larger spectrum of college preparation and skills development necessary to meet college entrance requirements, as well as a comprehensive school accountability program addressing low-performing schools, school promotion and remedial instruction.

Item 6110-226-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$9,481,000 to \$4,481,000 by reducing:

- (a) 20.60.020.001-Partnership Minigrants/Safe School Planning from \$5,951,000 to \$3,501,000,
- (b) 20.60.020.012-Conflict Resolution from \$380,000 to \$280,000, and
- (c) 20.60.020.013-School Community Violence Prevention from \$3,150,000 to \$700,000.

I am deleting a legislative augmentation of \$5,000,000 for the School/Law Enforcement Partnership Programs. While these are meritorious programs, the Budget provides \$10,000,000 for the new School/Community Policing program which is more likely to have an immediate impact on school safety.

Item 6110-232-0001—For local assistance, Department of Education (Proposition 98). I reduce this item from \$88,900,000 to \$44,450,000.

I am reducing this item to provide half-year funding of \$44,450,000 for 9th Grade class size reduction. While I support this effort to expand the class size reduction program, the augmentation made by the Legislature is likely to exceed the need in the first year. Given the timing of this proposal, it can be expected that the program will not be implemented until the second semester of the current school year. Therefore, I am reducing this item to more accurately reflect the level of funding needed for this year.

I am revising Provision 1 to conform to this action.

“1. The funds appropriated by this item are to expand the Morgan/Hart Class Size Reduction Program for grade ~~s 9 to 12, inclusive~~, pursuant to enactment of legislation during the 1997–98 Regular Session that becomes operative on or before January 1, 1999.”

Item 6110-233-0001—For local assistance, Department of Education (Proposition 98). I delete this item and Provision 1.

I am deleting the \$94,146,000 appropriation for Mega-Item growth and cost-of-living adjustments (COLA). I am setting aside the amount in this item for restoration upon enactment of legislation for a comprehensive remedial instruction program addressing low-performing schools, social promotion, and school accountability.

I am deleting Provision 1 to conform to this action.

Item 6110-294-0001—For local assistance, Department of Education (Proposition 98). I delete this item and Provision 1.

I am deleting the \$10,000,000 augmentation to provide a set-aside for the purpose of funding legislative priorities pursuant to unspecified legislation enacted during the 1997–98 Regular Session. Establishing an appropriation without knowing the purpose of such is inappropriate.

Item 6120-221-0001—For local assistance, California State Library. I reduce this item from \$62,750,000 to \$38,870,000.

I am reducing \$23,880,000 of the \$43,880,000 legislative augmentation provided for the Public Library Foundation. I am supportive of additional funding for local public libraries. With this augmentation, I am increasing the program by 106 percent.

Item 6360-001-0001—For support of the Commission on Teacher Credentialing. I reduce this item from \$755,000 to \$665,000, and delete Provision 6:

(a) 10-Standards for Preparation and Licensing of Teachers from \$755,000 to \$665,000.

I am deleting the \$90,000 General Fund augmentation and one position to fund a review of out-of-state teacher credentialing requirements. I support efforts to streamline the credentialing process for qualified teachers from other states; however, credentialing activities are appropriately funded from the Teacher Credentials Fund.

I am deleting Provision 6 to conform to this action.

Item 6360-101-0001—For local assistance, Commission on Teacher Credentialing (Proposition 98). I reduce this item from \$34,628,000 to \$24,628,000 by reducing:

(a) 10-Standards for Preparation and Licensing of Teachers from \$34,628,000 to \$24,628,000.

I am deleting the \$10,000,000 legislative augmentation for the California School Paraprofessional Teacher Training Program. This program provides grants to assist non-certificated school employees,

such as teacher aides, to become teachers and was established as a pilot program to assist individuals who have not completed their baccalaureate degrees to become teachers. I have provided \$22,000,000 for other programs which assist individuals who already possess baccalaureate degrees to obtain teaching credentials while serving as classroom teachers.

I am revising Provision 2 to conform to this action.

“2. Of the funds appropriated by this item, ~~\$11,478,000~~ \$1,478,000 shall be available for grants and subventions to school districts and county offices of education participating in the California School Paraprofessional Teacher Training Program pursuant to Article 6.5 (commencing with Section 69619) of Chapter 2 of Part 42 of the Education Code.”

Item 6420-001-0001—For support of California Postsecondary Education Commission. I reduce this item from \$3,579,000 to \$2,999,000 by reducing:

- (a) 100000-Personal Services from \$2,576,000 to \$2,566,000.
- (b) 300000-Operating Expenses and Equipment from \$1,343,000 to \$773,000.

I am deleting the \$80,000 legislative augmentation to provide funding for the Commission to conduct an eligibility analysis of individual high schools. The stated need for the study is that the University of California may admit the top four percent of graduates from each high school. Such a study is premature because the University of California has not yet adopted such a policy, nor is it clear that such a policy would require this type of analysis.

I am deleting the legislative augmentation of \$500,000 for statewide and campus-based service learning centers which help students find community service placements and help faculty develop college course work around students' community service work. This funding would create an inefficient bureaucracy and is unnecessary because these activities are already being conducted.

Item 6440-001-0001—For support of University of California. I reduce this item from \$2,351,969,000 to \$2,339,418,000 by reducing:

- (a) Support from \$2,251,827,000 to \$2,240,276,000,
- (b) Charles R. Drew Medical Program from \$9,567,000 to \$8,567,000,

and by deleting Provisions 19 and 20.

I am reducing this item by \$6,750,000 for cooperative extension and a 0.4-percent salary increase for all non-faculty employees. The University is providing \$19,800,000 for a 2-percent salary increase for non-faculty by using funding within the higher education compact. The funds for the cooperative extension are reduced because of the need to fund higher competing priorities, including a prudent reserve.

I am reducing this item by \$1,000,000 for Drew Medical Center to renovate its eye clinic because of the need to fund higher competing priorities, including a prudent reserve.

I am deleting the \$400,000 legislative augmentation for the California Health Interview Survey. The survey will cost about \$7,500,000, most of which will be raised from local government, health insurers and others. The need and priority for state funding has not been established.

I am deleting Provision 19 to conform to this action.

I am deleting the \$1,400,000 legislative augmentation to establish a state-funded summer session for teacher preparation programs. This program would serve about 200 full-time equivalent (FTE) students. While I am supportive of this concept, especially the proposal for summer programs, I believe the University should establish this program within the \$43,600,000 in its budget for 6,000 new FTE students in 1998–99.

I am deleting the \$2,000,000 legislative augmentation to increase funding for non-agricultural research. This augmentation would partially restore budgetary reductions made in the early 1990s. Non-agricultural research has received a 27-percent a General Fund increase (\$24,000,000) since 1990–91.

I am deleting the \$1,000,000 legislative augmentation for the University of California, Los Angeles Academy for Integrated Standards. This academy would provide staff development for K–12 teachers, which has already been funded in the budget of the Department of Education.

I am reducing this item by \$1,000 and deleting Provision 20 which would encourage the University to incorporate service learning into its curricula. This provision is unnecessary because it addresses activities that are already being conducted.

Item 6440-001-0234—For support of the University of California. I reduce this item from \$18,661,000 to \$11,661,000 by reducing:

I am deleting the \$7,000,000 legislative augmentation from Cigarette and Tobacco Products Surtax Fund litigation reserves for the State's anti-tobacco Media Campaign. These reserves were set aside for the Americans for Non-Smokers Rights II v. State of California case. Additional state exposure exists in the related and outstanding Just Say No To Tobacco Dough Campaign et al. v. State of California case. Accordingly, these funds should be held in reserve until a settlement has been reached in both cases.

Item 6440-303-0574—For capital outlay, University of California. I reduce this item from \$103,169,000 to \$60,399,000 by reducing:

Los Angeles:

- (3) 99.04.305-Health Science Seismic Replacement Building 1-Working drawings and construction from \$22,141,000 to \$1,153,000.

I am reducing this legislative augmentation by \$20,988,000 by eliminating the construction phase of the project.

Riverside Campus:

- (4) 99.05.115-Entomology Buildings Seismic Replacement-Working drawings and construction from \$22,481,000 to \$699,000.

I am reducing this legislative augmentation by \$21,782,000 by eliminating the construction phase of the project.

I am supportive of providing \$2.5 billion in new bond funds for much-needed higher education capital outlay programs. The funding level which I am sustaining is supportable under a four-year program with this level of new bonds.

Item 6610-001-0001—For support of California State University. I reduce this item from \$2,111,659,000 to \$2,082,297,000 by reducing:

- (a) Support from \$2,856,018,000 to \$2,824,456,000,

- (c) Amount Payable from the Higher Education Fees and Income, CSU Fund (Item 6610-001-0498) from -\$616,475,000 to -\$614,275,000,

and by deleting Provisions 12 and 14.

I am deleting the \$17,800,000 legislative augmentation to fund ongoing building maintenance. Expenditures for this purpose should be funded from within the higher education compact.

I am deleting the \$1,000,000 legislative augmentation to provide funds for Assembly Bill 860, which would establish a program in which K-12 districts would form partnerships with higher education institutions for faculty-to-faculty training. This funding is unnecessary because these activities are already being conducted.

I am deleting Provision 12 to conform to this action.

I am deleting the \$200,000 legislative augmentation to provide funding for the Space Club at the University's San Luis Obispo campus. It is inappropriate for the State to provide funding for student clubs.

I am deleting the \$5,000,000 legislative augmentation to support state-funded summer sessions for teacher preparation programs. This funding would supplant student fee revenues and would not increase either student enrollment in teacher preparation programs or the number of teachers. I am deleting the \$2,200,000 amount payable from Higher Education Fees and Income Fund to conform with this action.

I am deleting the \$1,000,000 legislative augmentation to provide start-up costs for the San Diego South Bay Higher Education Center. Similar programs are funded from within existing resources, and it would set an undesirable precedent for the State to provide additional funding for this purpose.

I am deleting the \$240,000 legislative augmentation to develop a wireless multimedia communication system at the Pomona campus to serve as a model for commercial and private users because of the need to fund higher competing priorities, including a prudent reserve.

I am reducing this item by \$1,000 and deleting Provision 14 which would encourage the University to incorporate service learning into its curricula. This provision is unnecessary because it addresses activities that are already being conducted.

I am deleting the \$4,100,000 legislative augmentation which would match funds provided by the Federal Emergency Management Administration to repair a student dormitory on the University's San Francisco campus that was damaged in the 1989 Loma Prieta earthquake. State funding for this purpose is inappropriate because Verducci Hall is owned and operated by a campus auxiliary enterprise. Therefore State funding for this purpose is inappropriate.

I am deleting the \$21,000 legislative augmentation for the University's Chico campus to purchase a natural gas vehicle. Funding for this purpose should be provided from the campus's regular allotment for vehicles.

Item 6610-001-0498—For support of California State University. I reduce this item from \$616,475,000 to \$614,275,000.

I am deleting the \$2,200,000 legislative augmentation for a state-funded summer session for teacher preparation programs to conform to this action taken in Item 6610-001-0001.

Item 6610-303-0574—For capital outlay, California State University. I reduce this item from \$100,000,000 to \$56,244,000 by deleting:

- (.5) 06.48.315-Systemwide: Minor Capital Outlay Program-Preliminary plans, working drawings, construction, and equipment (\$1,078,000)
- (1) 06.50.058-CSU, Bakersfield: Business Public Administration Building-Preliminary plans, working drawings, and construction (\$8,338,000)
- (2) 06.52.097-CSU, Chico: Education/Classroom/Faculty Office Addition-Working drawings and construction (\$12,124,000)
- (5) 06.92.052-CSU, Stanislaus: Educational Services Building-Working drawings and construction (\$22,216,000)

I am reducing the legislative augmentation of \$100,000,000 for the University's capital outlay program by \$43,756,000. I am supportive of providing \$2.5 billion in new bond funds for much-needed higher education capital outlay programs. The new funding level which I am sustaining is supportable under a four-year program with this level of new bonds.

Item 6870-001-0001—For support of Board of Governors of the California Community Colleges. I reduce this item from \$10,830,000 to \$10,750,000 by reducing:

- (b) 20-Special Services and Operations from \$16,722,000 to \$16,642,000.

I reduce this item by \$80,000 which would provides one new position for the Economic Development Unit. Three new positions were provided in the Budget for this program. No compelling data have been provided to support the need for this additional position.

Item 6870-101-0001—For local assistance, Board of Governors of the California Community Colleges. I reduce this item from \$2,183,845,000 to \$2,126,804,000 by reducing:

- (a) 10.10.010-Apportionments from \$1,482,152,000 to \$1,462,212,000,
- (f) 20.10.010-Extended Opportunity Programs, and Services and Special Services from \$68,316,000 to \$66,316,000,
- (g) 20.10.020-Disabled Students from \$62,395,000 to \$52,295,000,
- (t) 20.30.050-Economic Development from \$33,073,000 to \$33,072,000,
- (w) 20.40.035-Instructional Equipment and Library Materials-Replacement from \$54,000,000 to \$44,000,000,

and by deleting:

- (y) 20.20.080-Full-Time Faculty (\$15,000,000),

and by revising Provision 17 and deleting Provision 24.

I am reducing schedule (a) of this item by \$1,000 and deleting Provision 24 which encourages community colleges to incorporate service learning into their curricula. This language could promote programs which may not be a high priority compared to remedial education, job related instruction and matriculation.

I am reducing schedule (a) of this item by \$8,939,000 which would provide community colleges with equalization funding. This money should go to other higher priority items that provide greater instructional benefits to students.

I am reducing schedule (a) of this item by \$11,000,000 which provides funding parity between community college Non-Credit Instruction and K-12 Adult Education. No compelling information has been provided to identify any deficiency in the quality of community college non-credit programs that would justify a rate increase.

I am reducing schedule (f) of this item by \$2,000,000 which provides funding for support services for the Community Assistance Resources for Education (CARE) program. Funds are available through the current CalWORKs program in community colleges and it is premature to augment this program prior to determining if the actual number of participants will increase.

I am reducing schedule (g) of this item by \$10,100,000 which provides funding for supportive services for disabled students. This action will sustain an augmentation of \$3,700,000. While I am supportive of this program, there is no information that would suggest an augmentation of this significance is necessary for program services.

I am reducing this item by \$1,000 and revising Provision 17 which intends funds be directed in schedule (t) to establish collaboratives with hospitals for nurse training programs. This language is unnecessary; colleges already have the discretionary ability to devote funds for this activity.

- “17. (a) Of the funds appropriated in Schedule (t), \$15,000,000, as augmented by the Budget Act of 1997, is for the purpose of establishing incentives for expanded industry-driven cooperative education and work force training programs and centers that support California’s regional economies and are consistent with the needs identified in regional plans pursuant to Sections 15379.25 and 15363.10 of the Government Code.

These funds shall be expended for grants to districts as determined by the Board of Governors on a competitive basis to support economic development program centers and the participation of the California Community Colleges in industry-driven regional collaboratives. This grant funding shall be provided for the following purposes: (a) eligible economic development program activities pursuant to Section 15379.653 of the Government Code, and (b) ongoing development of regional plans, reconfiguration and designation of new regions, and the coordination of services centers.

No more than \$5,000,000 of the funds may be expended for purposes of (b) above and subdivisions (a) through (f) of Section 15379.653 of the Government Code above. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 15379.653 of the Government Code for performance-based training and student internships shall be matched by a minimum of one dollar of private business and industry funding for each one dollar of state funds. Funds allocated for purposes of subdivision (h) of Government Code Section 15379.653 for credit and noncredit instruction may be transferred to Schedules (c) or (a) to facilitate distribution, at the Chancellor’s discretion.

- (b) Of the remaining funds in Schedule (t), \$4,000,000 shall be exclusively for augmenting the amount of funds allocated

in the 1997–98 fiscal year by the Board of Governors for industry-driven regional education and training collaboratives. These funds shall only be available to continue existing programs awarded grants from the Budget Act of 1997, augment programs initiated from the Budget Act of 1997 funds, and award grants for new programs meeting the requirements of the industry-driven regional collaboratives program through a new requests for applications process. These grants shall be made on a competitive basis and the award amounts shall not be restricted to any predetermined limit, but rather shall be funded on their individual merits.

- (c) Funds allocated by the Board of Governors under this provision shall not be used by community college districts to supplant existing courses or contract education offerings. The Chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure training, credit, and noncredit programs remain relevant to business needs. Programs that do not demonstrate continued relevance and support by business shall not be eligible for continued funding. The Board of Governors shall consider the level of involvement and financial commitments of business and industry as primary factors in making awards. The Board of Governors shall fully report the allocations and results of this program within the annual report of the Economic Development program pursuant to Section 15379.23 of the Government Code.

This report shall include a separate section to report on the results of the \$15,000,000 augmentation from the Budget Act of 1997 which identifies by center/district, region and industry cluster for the following 1) the allocations by category listed in Government Code Section 15379.653; 2) the increment of additional hours of contract, credit and noncredit education added; 3) the number of job placements; and 4) the amount of industry funds leveraged from participating businesses.

- (d) Of the total amount included in Schedule (t), any funds which become available within the program due to discontinuance or reduction of amounts allocated to previously funded centers or programs shall first be made available to any industry driven regional education and training collaborative to increase the level of subsidized training otherwise available, without any predetermined limitations imposed through the application announcement by the Chancellor and the Board of Governors.
- (e) It is the intent of the Legislature that the expansion of funds provided in Schedule (t) of this item be considered for use to encourage community college districts to work to establish a collaborative or collaboratives between hospitals and community college districts to provide nursing training programs in an effort to meet the demand for specialized nurses.”

I am reducing schedule (w) of this item by \$10,000,000 which would provide funding for instructional equipment and library materials. This area has received substantial increases in prior years and funds are also provided in Senate Bill 1564.

I am deleting schedule (y) which would provide \$15,000,000 for full-time faculty because there is no evidence that this augmentation will result in a demonstrable increase in access to instructors or the quality of instruction or student services.

Item 6870-301-0574—For capital outlay, Board of Governors of the California Community Colleges. I reduce this item from \$140,386,000 to \$140,261,000 by deleting:

Compton Community College District

Compton College

(4.5) 40.12.109-Child Development Center-Preliminary plans and working drawings (\$125,000).

I am deleting the legislative augmentation of \$125,000 for preliminary plans and working drawings for the Compton Community College District, Child Development Center project. While I am supportive of efforts in this area, funding for this project is premature as the project has circumvented the Chancellor's Office review and priority setting process. The circumvention of the established process undermines a rational approach to capital outlay where all projects are considered in relationship to competing needs for available resources.

Item 6870-302-0574—For capital outlay, Board of Governor's of the California Community Colleges. I reduce this item from \$57,536,000 to \$46,345,000 by deleting:

Butte-Glenn Community College District

Butte College

(1) 40.05.105-Allied Health and Public Service-Preliminary plans and working drawings (\$1,280,000)

Grossmont-Cuyamaca Community College District

Cuyamaca College

(4) 40.19.115-Remodel Vocational Technology N Building-Preliminary plans and working drawings (\$65,000)

Los Angeles Community College District

Los Angeles Valley College

(5) 40.26.802-Ventilation System, Phase III-Preliminary plans and working drawings (\$169,000)

Merced Community College District

Merced College

(6) 40.30.114-Interdisciplinary Academic Center-Preliminary plans and working drawings (\$633,000)

San Jose-Evergreen Community College District

San Jose City College

(8) 40.50.201-Learning Resource Center-Preliminary plans and working drawings (\$974,000)

San Mateo Community College District

San Mateo College

(9) 40.52.205-Seismic Upgrade-Preliminary plans, working drawings, and construction (\$3,650,000)

Sequoias Community College District

College of the Sequoias

- (10) 40.56.110-Multimedia Learning Resource Center-Preliminary plans and working drawings (\$994,000)
Southwestern Community College District
Southwestern College
- (11) 40.63.103-Learning Resource Center-Preliminary plans and working drawings (\$2,011,000)
Victor Valley Community College District
Victor Valley College
- (12) 40.66.115-Advanced Technology Building-Preliminary plans and working drawings (\$1,099,000)
Feather River Community College District
Feather River College
- (14) 40.73.104-Physical Plant Reconstruction-Preliminary plans, working drawings, and construction (\$316,000)

I am reducing the \$57,536,000 legislative augmentation by \$11,191,000 which reflects augmentations for 10 projects that have circumvented the annual review and priority setting process. The circumvention of the established prioritization process undermines developing and maintaining a rational approach to capital outlay where all projects are considered in relationship to competing needs for available resources. However, I am sustaining \$46,345,000 for 3 projects which are fully supportable in cost and scope.

I am supportive of providing \$2.5 billion in new bond funds for much needed higher education capital outlay programs. The funding level which I am sustaining is supportable under a four-year program with this level of new bonds.

Item 7980-101-0001—For local assistance, Student Aid Commission. I reduce this item from \$368,768,000 to \$342,789,000 by reducing:

(a) 15-Financial Aid Grants Program from \$377,671,000 to \$351,692,000,

and by revising Provision 7.

I am reducing this item by \$25,979,000 to provide an additional 12,880 new Cal Grant Awards. The \$15,121,000 provided will fund an additional 5,056 additional new Cal Grants. Under my Administration, General Fund expenditures for Cal Grants and other grant programs operated by the Commission have increased by \$187,000,000 to a total of \$344,000,000, or more than double the 1990–91 level. During this period, the number of new Cal Grant awards has increased by 17,445 or 56 percent, and the maximum grant for students attending independent institutions has grown from \$5,250 to \$9,036, which is a 72-percent increase.

I am revising Provision 7 to conform to this action.

“7. Notwithstanding any other provision of law, of the amount appropriated in Schedule (a), ~~\$41,100,000~~ \$15,121,000 shall be used to increase the number of new Cal Grant awards above the number awarded in 1997–98. These funds shall be used to provide approximately ~~6,440~~ 2,528 new Cal Grant A awards and ~~6,440~~ 2,528 new Cal Grant B awards; or a different number of awards as determined by the Student Aid Commission to be consistent with the funding provided in this item for new Cal Grant A and B awards.”

Item 8100-101-0001—For local assistance, Office of Criminal Justice Planning. I reduce this item from \$39,749,000 to \$38,254,000 by reducing:

- (w) 50.30.700-Special Projects-Public Safety, from \$4,941,000 to \$4,366,000,

and by deleting:

- (wx) 50.30.704-MUNI Video Surveillance Program (\$920,000).

I am reducing the \$1,000,000 legislative augmentation to expand the CHOICE program in the County of San Diego by \$500,000. This program mentors young people on probation and adolescent foster children. While I am supportive of efforts to assist at-risk youth, I am reducing this augmentation because of the need to fund higher competing priorities, including a prudent reserve.

I am deleting the \$75,000 legislative augmentation for graffiti abatement in the community of Eagle Rock because of the need to fund higher competing priorities, including a prudent reserve.

I am deleting the \$920,000 legislative augmentation for the MUNI Video Surveillance Program, which would install video surveillance equipment in MUNI buses, and provide for the collection, review, and analysis of the video data. Such a program should be funded by the MUNI.

Item 8100-101-0890—For local assistance, Office of Criminal Justice Planning. I reduce this item from \$153,784,000 to \$153,284,000 by deleting:

- (gx) 50.30.557-Special Projects-Residential Substance Abuse Treatment (\$500,000),

and by deleting Provision 2.

I am deleting the \$500,000 legislative augmentation for the Northern California Regional Juvenile Detention Center in Humboldt County because the operation of this facility is appropriately a local responsibility. I am also deleting Provision 2, which states the Legislature's intent that this appropriation represent the first of three years of program funding to conform to this action.

Item 8200-001-0001—For support of Commission for Economic Development. I delete this item and Provision 1.

I am deleting the \$250,000 legislative augmentation to reestablish the Commission for Economic Development. My 1994-95 Governor's Budget proposed that funding for this commission, which was first established in 1972, be eliminated as part of an ongoing effort to downsize, streamline and make government more efficient. The Legislature agreed with that assessment by not funding the commission in that or any of the subsequent three fiscal years. I am not aware of any change in circumstance that would warrant the restoration of funding for this commission.

I delete Provision 1 to conform to this action.

Item 8260-102-0001—For local assistance, California Arts Council. I reduce this item from \$27,580,000 to \$24,176,000.

I am reducing this item by \$3,404,000 for various museums. Because of the need to fund higher competing priorities, including a prudent reserve, I am deleting funding for the Chabot Observatory, the New California Center, a Cultural Arts Center in the San Fernando Valley, the Los Angeles Police Museum, the Napa Valley Museum, the Randall, the

San Francisco Art Commission, and the Mexican Museum. I am also reducing the appropriation for the Military Museum by \$585,000 from \$835,000 to \$250,000.

I am revising Provision 1 to conform to this action.

- “1. Of the funds appropriated by this item, the following allocations shall be made: ~~\$250,000~~ *\$835,000* for the Military Museum; ~~\$300,000 for the Chabot Observatory;~~ *\$750,000* for the Discovery Science Center; *\$120,000* for the Fender Museum in the City of Corona; *\$750,000* for the Central Valley Learning Center; *\$2,000,000* for the Hollywood Museum; *\$500,000* for the National Steinbeck Center; ~~\$800,000 for the New California Center;~~ *\$475,000* for the Orange County Marine Institute; *\$1,750,000* for the San Diego Natural History Museum; *\$250,000* for the Maritime Museum of San Diego; *\$2,000,000* for the Simon Weisenthal Museum; *\$2,000,000* for the Skirball Museum in the City of Santa Monica; *\$2,000,000* for the Great Central Valley History Museum; *\$30,000* for the Children’s Museum in the City of La Habra; ~~\$500,000 for a Cultural Arts Center in the San Fernando Valley;~~ *\$100,000* for the Turtle Bay Museum Complex; ~~\$500,000 for the Los Angeles Police Museum;~~ *\$50,000* for the Clarke Memorial Museum; ~~\$50,000 for the Napa Valley Museum;~~ *\$120,000* for the Antelope Valley Indian Museum; ~~\$264,000 for the Randall;~~ *\$75,000* for the San Francisco Art Commission; *\$100,000* for the Fine Arts Museums of San Francisco; *\$481,000* for the Asian Art Museum; *\$150,000* for the Edwards Air Force Base Historical Flight Museum; *\$5,000,000* for the San Francisco Academy of Sciences; *and* *\$5,000,000* for the Walt Disney Concert Hall at the Los Angeles Music Center ; ~~and \$250,000 for the Mexican Museum .”~~

Item 8260-103-0001—For local assistance, California Arts Council. I reduce this item from \$20,000,000 to \$6,000,000 by reducing:

- (a) 15-California Arts Program from \$20,000,000 to \$6,000,000; deleting Provision 1; and revising Provision 2.

I am supportive of the State providing financial assistance for the arts. Given competing program needs, including a prudent reserve, an increase of \$20,000,000 in funding for this purpose is not justified. I am, therefore, reducing this item to \$6,000,000. The Budget I have signed will provide a 52-percent increase over the 1997–98 amount of funding for local art programs. I am deleting Provision 1 which specifies that \$2,000,000 shall be for the support of the Artists in Residence Program because it is unduly restrictive and would direct a disproportionate share of the appropriation to this program. I am also reducing the amount specified in Provision 2 for administrative costs of the Arts Council from \$800,000 to \$240,000 in proportion to the amount I am reducing from funding for the program.

I am revising Provision 2 to conform to this action.

- “2. Of the funds appropriated by this item, up to ~~\$800,000~~ *\$240,000* shall be used to defray the administrative and related expenses of the California Arts Council in performing its responsibilities under this item.”

Item 8350-001-0001—For support of Department of Industrial Relations. I reduce this item from \$125,858,000 to \$123,485,000 by reducing:

- (3) 30-Workers' Compensation Administration from \$93,254,000 to \$92,538,000;
- (5) 36-Commission on Health and Safety and Workers' Compensation from \$2,244,000 to \$2,119,000;
- (6) 40-Prevention of Industrial Injuries and Deaths of California Workers from \$64,728,000 to \$62,928,000;
- (8.2) 60.20-Division of Apprenticeship Standards for promotion, development, and administration of apprenticeship and other on-the-job training from \$3,886,000 to \$3,857,700;
- (19) Amount payable from the Workplace Health and Safety Revolving Fund (Item 8350-001-0222), from -\$2,257,000 to -\$2,132,000;
- (20) Amount payable from the Workers' Compensation Administration Revolving Fund (Item 8350-001-0223), from -\$18,202,000 to -\$18,059,000;
- (28) Amount payable from the Employment Training Fund (Item 8350-001-0514) from -\$2,808,000 to -\$2,779,700;

and by deleting:

- (8.1) 60.10-California Apprenticeship Council (\$0)

and by deleting Provisions 1, 2, 4, and 5.

I am deleting the \$716,000 legislative augmentation for the Audit Unit in the Division of Workers' Compensation. The Legislature augmented the budget by a total of \$716,000 (\$573,000 General Fund and \$143,000 Workers' Compensation Administration Revolving Fund) to fund nine additional positions to audit insurers and third-party administrators to ensure timely payment of benefits. The Commission on Health and Safety and Workers' Compensation (CHSWC) is currently reviewing the adequacy of the staffing for this unit, and therefore this augmentation is premature. I am also reducing Schedule 20 to conform with this action. These actions conform to the action taken in Item 8350-001-0223.

I am reducing the legislative augmentation of \$1,325,000 in Schedule 5 by \$125,000. This augmentation would provide funding for two positions in the CHSWC and for a contract to recommend revisions to the California Permanent Disability Rating Schedule. I am deleting \$125,000 and the two positions provided for the CHSWC because the need for additional staff has not been demonstrated. I am also reducing Schedule 19 by \$125,000 to conform with this action. Both of these actions conform with the action taken in Item 8350-001-0222.

I am deleting the \$1,800,000 legislative augmentation for the Targeted Industries Consultation Program. This program was intended to be self-supporting from assessments on employers with high rates of worker injuries. Adequate funding is already available within the Department of Industrial Relations to fund the program through the end of the 1998-99 fiscal year.

I am deleting Provision 1, which requires legislative authorization before implementing a change from the modal method of calculating prevailing wage rates. I am also deleting Provision 2, which restricts the transfer of funds from other sources for the purpose of implementing a change from the modal method of calculating prevailing wage rates.

This language violates existing statutes which require the Director of the Department of Industrial Relations to set prevailing wages and unduly restricts the ability of the Executive Branch to carry out this statutory duty to set these rates.

I am deleting Provision 4, which appropriates \$28,300 for support of the California Apprenticeship Council on the condition that no funds shall be used for the costs of rulemaking proceedings to adopt or modify administrative regulations concerning apprenticeship. This language infringes upon the ability of the Executive Branch to operate this program in accordance with existing statutes. A separate appropriation is unnecessary since authority for the California Apprenticeship Council is contained within the Division of Apprenticeship Standards and funding will continue to be provided from this source. I am also deleting Schedule 8.1 to conform to this action. These actions conform to the action taken in Item 8350-001-0514.

In addition, I am deleting \$28,300 from both this item and Schedule 28 to correct a technical error in the Budget Bill. When the funds for the support on the California Apprenticeship Council were instead appropriated in Provision 2, the amount appropriated in this item was not reduced. This action conforms to the action taken in Item 8350-001-0514.

I am deleting Provision 5, in which the Legislature appropriates \$110,000 and one position for the Industrial Welfare Commission (IWC) to rescind Section 3 of Wage Orders 1, 4, 5, 7, and 9, and to staff the IWC's duties regarding the minimum wage. The Legislature eliminated full funding for the IWC in 1997-98, and this augmentation for 1998-99 fails to provide the IWC with the resources necessary to carry out its statutorily mandated responsibilities.

Item 8350-001-0222—For support of Department of Industrial Relations. I reduce this item from \$2,257,000 to \$2,132,000.

I am reducing the legislative augmentation of \$1,325,000 for the Commission on Health, Safety and Workers' Compensation (CHSWC) by \$125,000. This action conforms to the action taken in Item 8350-001-0001 regarding staffing for the CHSWC.

Item 8350-001-0223—For support of Department of Industrial Relations. I reduce this item from \$18,202,000 to \$18,059,000.

I am deleting the \$143,000 legislative augmentation to the Audit Unit in the Division of Workers' Compensation. This action conforms to the actions taken in Item 8350-001-0001 regarding the Audit Unit.

Item 8350-001-0514—For support of Department of Industrial Relations. I am reducing this item from \$2,808,000 to \$2,779,700, and deleting Provision 2.

I am deleting \$28,300 from this item to correct a technical error in the Budget Bill. When the funds for the support of the California Apprenticeship Council were appropriated in Provision 2, the amount appropriated in this item was not reduced. This action conforms to the action taken in Item 8350-001-0001 regarding the California Apprenticeship Council.

I am deleting Provision 2, which appropriates \$28,300 for support of the California Apprenticeship Council on the condition that no funds shall be used for the costs of rulemaking proceedings to adopt or modify administrative regulations concerning apprenticeship. This language infringes upon the ability of the Executive Branch to operate this

program in accordance with existing law. This action also conforms to the action taken in Item 8350-001-0001 regarding the California Apprenticeship Council.

Item 8660-001-0462—For support of Public Utilities Commission. I revise this item by reducing:

(a) 10-Regulation of Utilities from \$92,499,000 to \$91,799,000,

(e) Reimbursements from -\$12,503,000 to -\$11,803,000, and

by deleting Provisions 3, 4, and 8.

I am deleting the legislative augmentation of \$700,000 in reimbursements and 10 positions for administrative support for the Low-Income Governing Board and the California Board for Energy Efficiency. Bringing various utility surcharges and program support for those programs into the State Treasury is the subject of pending legislation. It is more appropriate to address the funding and staffing authority through that legislation.

I am deleting Provisions 3 and 4 to conform with this action.

I am deleting Provision 8 which would prohibit the Public Utilities Commission from enacting any natural gas industry restructuring decisions prior to January 1, 2000. This provision would change substantive law which is not tied to any specific appropriation in the Budget.

Item 8760-001-0001—For support of the Commission of the Californias. I delete this item.

I am deleting the \$250,000 augmentation to support the Commission of the Californias. Adequate funding for this commission is currently included in the budget for the Office of California/Mexico Affairs within the Trade and Commerce Agency.

Item 8800-001-0001—For support of Memberships in Interstate Organizations. I reduce this item from \$2,840,567 to \$2,806,817 by deleting:

(n) 95-Governmental Standards Accounting Board (\$33,750).

I am deleting the \$33,750 legislative augmentation for the Governmental Standards Accounting Board (GASB), to pay assessed unpaid dues. GASB appears largely to ignore the concerns of governmental participants, so that dues are not being utilized in the best interest of state and local governments or the taxpayers of California.

Item 8855-001-0001—For support of Bureau of State Audits. I reduce this item from \$10,922,000 to \$10,752,000 by reducing:

(a) 10-State Auditor from \$11,252,000 to \$11,082,000.

The Legislature augmented the Bureau of State Audits' budget by \$170,000 General Fund, and reimbursement authority of \$330,000 for the Bureau to collaborate and consult with the federal Department of Health and Human Services to determine which California Child Support Automation consortium systems are acceptable and compliant with federal standards. The reimbursements are federal funds collected through the Department of Social Services. The receipt of federal funds is contingent upon the state funding a portion of the study.

I support maximizing the collection of federal funds, however, I am deleting the \$170,000 General Fund legislative augmentation because the Bureau of State Audits can make existing General Fund resources available to match federal funds.

Item 8955-001-0001—For support of Department of Veterans Affairs. I am reducing this item from \$2,691,000 to \$2,690,000 by reducing:

- (c) 30-Care of Sick and Disabled Veterans from \$755,000 to \$754,000,

and by deleting Provision 1.

I am deleting Provision 1 which would require the Department of Veterans Affairs (DVA) to notify the Legislature regarding specific outcomes resulting from health and safety citations to veterans homes, and the results of home surveys conducted by the State Department of Health Services, as well as the findings of any other agency or entity. Legislative notification is reasonable in instances where a state or federal agency makes findings regarding veterans homes. However, I am concerned that requiring the DVA to respond to findings made by “any entity” places an unreasonable workload burden on the Department. This language could create a potential situation whereby the DVA would be required to notify the Legislature in instances where it is in receipt of frivolous or unsubstantiated findings and/or complaints. This reporting requirement is unduly restrictive and infringes upon the ability of the Executive Branch to manage its programs. In addition, the preparation of such reports would require the Department to redirect resources from other activities important to the operation of veterans homes. I am, therefore, directing the Department to notify the Legislature when a state or federal agency makes findings similar to those specified in this language.

I am reducing this item by \$1,000 to reflect savings that will be achieved from the veto of Provision 1.

Item 8960-011-0001—For support of Veterans’ Home of California-Yountville. I delete Provision 4 of this item.

Provision 4 would require \$500,000 of the funds appropriated in this item to be made available for special projects that provide a direct benefit to the members of the Home, and requires the budget for expenditure of those funds to be reviewed and approved by the Administrator of the Home, the Secretary of Veterans Affairs, and the Allied Council. This language is unnecessary because the Home’s budget for all expenditures is for the benefit of the members, as well as subject to review and approval by the Administrator and the Secretary. Further, allowing a non-state entity such as the Allied Council to exert approval authority over the Home’s budgetary decisions would interfere with the ability of the Executive Branch to manage its programs according to normal statutory procedures.

Item 8966-301-0001—For capital outlay, Veterans’ Home of California-Chula Vista. I delete this item and Provision 1.

I am deleting the \$200,000 legislative augmentation which would provide funds to complete an off-site utility connection for the Home’s storm sewer system. Local funding of all off-site infrastructure, including connections, was part of the site selection criteria established by the Governor’s Commission for a Southern California Veterans Home in the determination of siting the new facility. The City of Chula Vista should fund the cost of the connection consistent with the original agreement for siting the project in that locale.

Item 9210-104-0001—For local assistance, Local Government Financing. I delete this item.

I am deleting this \$40,000,000 augmentation for Los Angeles County to construct three comprehensive health care centers. The financing of these facilities is a local policy and funding responsibility.

Item 9210-105-0001—For local assistance, Local Government Financing. I delete this item and Provisions 1 and 2.

I am deleting this \$340,000 augmentation and budget bill language that would provide funding to the Los Angeles County Local Agency Formation Commission (LAFCO) for the costs it would incur related to Chapter 911, Statutes of 1997. Pursuant to Chapter 911, providing these funds would trigger the implementation of the Special Commission on Los Angeles Boundaries to study and report on Los Angeles County reorganization issues including the detachment of the San Fernando Valley from the City of Los Angeles. The implementation of the special commission would result in General Fund costs to reimburse the special commission for its costs to study reorganizations and boundary changes in Los Angeles County and report its findings. I am concerned about providing state General Fund resources to address a regional concern when the need to look at land use issues and boundary changes is of statewide concern.

I am deleting Provisions 1 and 2 to conform to this action.

Item 9800-001-0001—For augmentation for Employee Compensation. I reduce this item from \$356,310,000 to \$140,834,000.

I am reducing this item by \$215,476,000 to provide the same level of funding for state employee compensation as I proposed in January. To date, agreements have been reached on state employee contract terms with only two bargaining units. As I indicated in January, I am providing funding for employee compensation subject to the collective bargaining process and tied to civil service reform.

Item 9800-001-0494—For augmentation for Employee Compensation. I reduce this item from \$172,673,000 to \$68,250,000.

I am reducing this item by \$104,423,000 to provide the same level of funding for state employee compensation as I proposed in January. To date, agreements have been reached on state employee contract terms with only two bargaining units. As I indicated in January, I am providing funding for employee compensation subject to the collective bargaining process and tied to civil service reform.

Item 9800-001-0988—For augmentation for Employee Compensation. I reduce this item from \$172,673,000 to \$68,250,000.

I am reducing this item by \$104,423,000 to provide the same level of funding for state employee compensation as I proposed in January. To date, agreements have been reached on state employee contract terms with only two bargaining units. As I indicated in January, I am providing funding for employee compensation subject to the collective bargaining process and tied to civil service reform.

Item 9800-011-0001—For augmentation for Employee Compensation (Proposition 98). I reduce this item from \$4,169,000 to \$1,648,000.

I am reducing this item by \$2,521,000 to provide the same level of funding for state employee compensation as I proposed in January. To date, agreements have been reached on state employee contract terms

with only two bargaining units. As I indicated in January, I am providing funding for employee compensation subject to the collective bargaining process and tied to civil service reform.

SEC. 4.11—Federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). I delete this control section.

This section would prohibit the use of any appropriated funds by either a state or local agency to implement the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 until implementing provisions are enacted into state law.

Current court judgments indicate that the Act is enforceable without state legislative action. In addition, this language restricts my authority and responsibility to implement federal law.

SEC. 11.65—State Office Consolidation Rental Rates. I delete this control section.

I am deleting Control Section 11.65 because it is unduly restrictive and interferes with normal executive branch discretion. The section is narrow in scope and recognizes only one component of state office consolidation issues while failing to address issues such as moving costs related to new facilities.

With the above deletions, revisions and reductions, I hereby approve Assembly Bill 1656.

PETE WILSON

August 21, 1998

RECEIPT

I acknowledge receipt this 21st day of August 1998, at 12:03 p.m., of the Governor's statement of the items of appropriation reduced or eliminated from Assembly Bill No. 1656 delivered to me personally by Karen Morgan.

E. DOTSON WILSON

Chief Clerk of the Assembly

The following messages from the Governor were received and ordered printed in the Journal:

Item Veto—Assembly Bill No. 2594

Governor's Office, Sacramento

August 21, 1998

To the Members of the California Assembly:

On this date I am signing Assembly Bill 2594 with the deletion of \$4,000,000—appropriated for the Department of Youth Authority. This bill would revise provisions of the Repeat Offender Prevention Project (ROPP), a program designed to provide comprehensive juvenile intervention programs to reduce recidivism among juvenile offenders in participating counties. The bill would transfer responsibility for the program from the California Youth Authority to the Board of Corrections.

The 1998–99 Budget Act already contains \$4 million for the Board of Corrections to implement ROPP. Additional funding is both premature

and misdirected as the Youth Authority will no longer remain responsible for administering ROPP.

Cordially,

PETE WILSON

Item Veto—Assembly Bill No. 2784

Governor's Office, Sacramento

August 21, 1998

To the Members of the California Assembly:

On this date I am signing Assembly Bill No. 2784 with a deletion.

This bill would serve as the legislative vehicle for a number of statutory changes related to the implementation of the 1998 Budget Act for various environmental and natural resource programs. Among other things, this bill would establish guidance for the Department of Toxic Substance Control regarding proposed changes to the criteria and guidelines for identification of hazardous waste and management standards including appropriating \$617,000 from the Hazardous Waste Control Account to the Department for the initiative known as the Regulatory Structure Update (RSU).

Although I am signing AB 2784, I am deleting Section 17 in its entirety. The appropriation is linked to unnecessarily restrictive language that is currently the subject of litigation. Furthermore, the Department informs me that the RSU project is complete, thus the appropriation contained in this Section is unnecessary.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 21st day of August 1998, at 12:05 p.m., of the Governor's statement of items of appropriation reduced or eliminated from Assembly Bills Nos. 2594 and 2784 delivered to me personally by Karen Morgan.

E. DOTSON WILSON

Chief Clerk of the Assembly

The following veto messages from the Governor were received and ordered printed in the Journal and the bills ordered to the unfinished business file:

Veto Message—Assembly Bill No. 2778

Governor's Office, Sacramento

August 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2778 without my signature.

This bill would expand Healthy Families Program eligibility from 200 percent of the federal poverty level to 250 percent and reduces the co-payment cap for health benefits from \$250 to \$200. The bill would expand access to legal immigrant children not eligible for federally funded public benefits, thus creating a state only program. The bill also expands the Program by changing residency requirements and establishing new working groups and reports.

This bill significantly expands the Healthy Families Program before it is even fully implemented. The Program began enrolling children only

last month. It is premature to change the fundamental structure of the Program before the existing Program can be evaluated.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2781

Governor's Office, Sacramento

August 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2781 without my signature.

This bill would make a number of changes to the In-Home Supportive Services Program (IHSS). Among other requirements, the bill would require the State to reimburse a county for the county's share of cost of any increase in wages and benefits for providers operating under a public authority, nonprofit consortium or contract arrangement with the county.

Public authorities were created with the understanding that any costs for wages above minimum would be funded at county expense, with federal financial participation as applicable. Providing state funds for benefits or higher wages negotiated by the public authorities would remove the only cost containment feature of the program.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2789

Governor's Office, Sacramento

August 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2789 without my signature.

This bill would make a number of changes to the Smog Check II program by eliminating "ping-ponging" of cars that fail a smog test between test-only facilities and repair shops; revising the low-income and repair assistance program; and simplifying procedures for vehicles to be removed from the enhanced program testing requirements when ownership is transferred to a non-enhanced area.

Unfortunately the bill, similar to a bill vetoed last year (AB 999), would remove the Enhanced Area designation on some areas of the state by arbitrarily defining an "urbanized" area as having a population of 100,000 or more residents. Changing the designation of these areas would result in emissions reduction shortfall which could force the state to face federal sanctions. Avoiding the sanctions would require creating inequities by shifting the burden of increased emissions reductions to industrial and stationary pollution sources or upon the other areas where the enhanced program remains active.

Nothing has changed over last year to warrant a reversal of the prior veto. It remains imperative that we continue to make desired and necessary progress to protect public health through clean air standards, avoid unnecessary exposure to federal sanctions, and ensure that California's air quality policy approach remains equitable, technologically feasible, and cost effective.

This bill does, however, contain a number of laudable changes that would have made significant improvements for all sectors of the motoring public. As such, I am directing my agencies to implement

those features of this bill that will increase public convenience and acceptance to the fullest extent permissible under existing statutory authority.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 21st day of August 1998, at 1:45 p.m., of Assembly Bills Nos. 2778, 2781, and 2789 without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

LAWRENCE A. MURMAN

Assistant Chief Clerk of the Assembly

INTRODUCTION OF GUESTS

Assembly Member Baca, of the 62nd Assembly District, introduced his daughter Jennifer Baca and extended best wishes on the occasion of her 12th birthday.

ADJOURNMENT

At 3 p.m., pursuant to the motion by Assembly Member Scott, the Assembly adjourned until 10:30 a.m., Monday, August 24, 1998, out of respect to the memory of Michael C. Bartos, on motion of Assembly Member Pringle; out of respect to the memory of Arlene King Davis, on motion of Assembly Member Cardenas; and out of respect to the memory of Linda Harvey, on motion of Speaker pro Tempore Kuehl.

ANTONIO R. VILLARAIGOSA, Speaker

PAM CAVILEER, Minute Clerk

**AMENDMENTS CONSIDERED BY THE
ASSEMBLY ON AUGUST 21, 1998**

The following measures were amended in the Assembly on this day:

SB	RN	SB	RN
25	9819465	1652	9819578
116	9818504	1660	9819203
280	9819001	1696	9819523
378	9819234	1701	9816891
487	9816748	1714	9819833
489	9818972	1715	9819184
537	9816283	1757	9819677
591	9817500	1768	9817894
619	9816259	1829	9818962
648	9817454	1856	9815858
694	9813758	1879	9818359
704	9818716	1897	9818766
956	9818984	1911	9819468
971	9819455	1923	9818311
1194	9818918	1941	9819106
1250	9819459	1947	9818227
1403	9818483	1955	9819216
1412	9819130	1980	9818378
1430	9819394	1999	9819377
1468	9818133	2042	9818385
1481	9819129	2083	9818970
1485	9818215	2196	9818309
1540	9818990	2224	9817543
1645	9819436		

Daily Total:	47
Cumulative Total:	7652