

CALIFORNIA LEGISLATURE
2011–12 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Wednesday, August 24, 2011

ONE HUNDRED SEVENTEENTH SESSION DAY

TWO HUNDRED SIXTY-SECOND CALENDAR DAY

AT SACRAMENTO, CALIFORNIA



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

PROCEEDINGS OF THE ASSEMBLY

IN ASSEMBLY

Assembly Chamber, Sacramento
Wednesday, August 24, 2011

The Assembly met at 7 a.m.

Hon. Martin Garrick, Assembly Member, 74th District, presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Reading Clerk Timothy Morland reading.

ROLL CALL

The following were placed upon the morning roll call—75:

Achadjian	Davis	Hill	Norby
Alejo	Dickinson	Huber	Olsen
Allen	Donnelly	Hueso	Pan
Ammiano	Eng	Huffman	Perea
Atkins	Feuer	Jeffries	Pérez, V. Manuel
Berryhill	Fong	Jones	Portantino
Block	Fuentes	Knight	Silva
Blumenfield	Furutani	Lara	Skinner
Bradford	Galgiani	Logue	Smyth
Brownley	Garrick	Lowenthal	Solorio
Buchanan	Gatto	Ma	Swanson
Butler	Gordon	Mansoor	Torres
Calderon	Grove	Mendoza	Valadao
Campos	Hagman	Miller	Wagner
Carter	Halderman	Mitchell	Wieckowski
Cedillo	Hall	Monning	Williams
Chesbro	Harkey	Morrell	Yamada
Conway	Hayashi	Nestande	Mr. Speaker
Cook	Hernández	Nielsen	

Quorum present.

At 12:57 p.m., Hon. Mike Eng, 49th District, presiding

REGULAR BUSINESS DISPENSED WITH

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

LEAVES OF ABSENCE FOR THE DAY

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

On legislative business, per diem waived for the 2011–12 Session (Assembly Journal, page 1424): Assembly Member Beth Gaines.

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

On active duty military deployment, and waiving per diem (Assembly Journal, page 452): Assembly Member Gorell.

Because of illness in his family: Assembly Member Beall.

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

EXPLANATIONS OF ABSENCE

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

August 24, 2011

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

Dear Mr. Speaker: This letter is to respectfully request that I be excused from Assembly Check-in Session today, Wednesday, August 24th, 2011. There is legislative business in my district today that I need to attend. If you have any further questions, please contact Jennifer Bell at 319-2004. Thank you for your immediate attention to this request.

Sincerely,

BETH GAINES, Assembly Member
Fourth District

REPORTS

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

California State Auditor

2010-125
August 23, 2011

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

Members of the Assembly:

As requested by the Joint Legislative Audit Committee, the California State Auditor presents this audit report concerning the State Lands Commission's (commission) management of leases of state property. This report concludes the commission has not always managed its more than 4,000 leases in the State's best interest with the result that it has missed opportunities to generate millions of dollars in revenues for the State's General Fund. For example, the commission has allowed lessees whose rent is past due to remain on state land for years without paying rent. In fact, we estimated losses totaling \$1.6 million for a sample of 10 delinquent leases we reviewed. Additionally, about 140 of the commission's 1,000 revenue-generating leases are currently expired. We estimate the commission has lost \$269,000 for 10 expired leases because lessees continue to pay the rent established by an old appraisal that may not be indicative of the property's current value. Further, although the commission has a mechanism in place to periodically review—and potentially increase—rental amounts, we found that it generally failed to promptly conduct rent reviews, causing it to lose \$6.3 million in increased rent it may have been able to collect. Moreover, the commission does not appraise its leased properties as frequently as the lease agreements allow, and when it does conduct appraisals, it sometimes undervalues its properties because it uses outdated methods, some of which were established more than 18 years

ago.

We also found that the commission does not adequately monitor its leases. Specifically, the database used by the commission to store lease information is both inaccurate and incomplete, and is not used by staff to monitor the status of its leases. As a result, the commission is not appropriately tracking the status of some of its leases. For example, the commission apparently lost track of one of its leases, and as a result failed to bill the lessee for 12 years while the lessee remained on state property. Additionally, the commission does not regularly audit its revenue-generating leases, nor does it adequately oversee granted lands.

Finally, although the commission has undergone a series of staff reductions since 1990 and has made attempts to replace these lost positions, it has not taken sufficient steps to quantify its need for additional staff. Specifically, the commission has not developed any analyses to determine an appropriate workload and the number of staff needed to address such a workload.

Respectfully submitted,

ELAINE M. HOWLE, CPA
State Auditor

Above report referred to the Committee on Natural Resources.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, August 24, 2011

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

Assembly Concurrent Resolution No. 70

And reports the same correctly engrossed.

E. DOTSON WILSON, Chief Clerk

Above resolution re-referred to committee.

RESOLUTIONS

The following resolution was offered:

ASSEMBLY CONCURRENT RESOLUTION NO. 82—Mitchell. Relative to domestic violence.

REPORTS OF STANDING COMMITTEES

Committee on Budget

Date of Hearing: August 24, 2011

Mr. Speaker: Your Committee on Budget reports:

Senate Bill No. 14

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

BLUMENFIELD, Chair

Above bill ordered to second reading.

Date of Hearing: August 24, 2011

Mr. Speaker: Your Committee on Budget reports:

Senate Bill No. 15

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

BLUMENFIELD, Chair

Above bill ordered to second reading.

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

Pursuant to the Assembly Rules, the following Senate bills were this day on the second reading file:

Senate Bills Nos. 431, 550, 859, 847, and 602, ordered to third reading.

Senate Bill No. 439, ordered to the Consent Calendar.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, August 24, 2011

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

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| Assembly Bill No. 134 | Assembly Bill No. 547 |
| Assembly Bill No. 142 | Assembly Bill No. 571 |
| Assembly Bill No. 255 | Assembly Bill No. 657 |
| Assembly Bill No. 274 | Assembly Bill No. 674 |
| Assembly Bill No. 293 | Assembly Bill No. 711 |
| Assembly Bill No. 398 | Assembly Bill No. 749 |
| Assembly Bill No. 412 | Assembly Bill No. 793 |
| Assembly Bill No. 528 | Assembly Bill No. 820 |

And reports the same correctly enrolled, and presented to the Governor on the 24th day of August, 2011, at 11:30 a.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, August 24, 2011

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

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| Assembly Bill No. 835 | Assembly Bill No. 936 |
| Assembly Bill No. 897 | Assembly Bill No. 1304 |
| Assembly Bill No. 902 | |

And reports the same correctly enrolled, and presented to the Governor on the 24th day of August, 2011, at 11:30 a.m.

E. DOTSON WILSON, Chief Clerk

ADJOURNMENT

At 3 p.m., the Assembly adjourned until 9 a.m., Thursday, August 25, 2011.

JOHN A. PÉREZ, Speaker

AMY LEACH, Minute Clerk