# CALIFORNIA LEGISLATURE

2003-04 REGULAR SESSION

# ASSEMBLY JOURNAL

**RECESS JOURNAL NO. 9** 

# **INTERIM RECESS**

Assembly Chamber, Sacramento Monday, September 22, 2003

Pursuant to the provisions of Joint Rule 59, the following Assembly Journal for the 2003–04 Regular Session was printed while the Assembly was in Interim Recess:

#### **COMMUNICATIONS**

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

September 22, 2003

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

Dear Dotson: Pursuant to Assembly Rules 2 and 26 (a), I am convening an Assembly Floor Session on Monday, September 29 at 11 a.m. The purpose of this session is to reconsider the vote, and to consider for passage, AB 1313 (Parra) relative to "Megan's Law." AB 1313 (Parra) was approved by the Senate by a vote of 37–0 and is pending for concurrence on the Assembly floor.

It is of paramount importance to act at this time to avoid the expiration of Megan's Law, and to avoid the loss of federal funds due to non-compliance with the federal Campus Sex Crimes Prevention Act.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 13, 2003

E. Dotson Wilson

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

Dear Dotson: This is to advise you that I have appointed Assemblymembers David Cogdill, Rebecca Cohn and Nicole Parra to fill the vacancies on the Joint Committee on Fairs Allocation and Classification.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 15, 2003

E. Dotson Wilson

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

Dear Dotson: This is to advise you that I have appointed Assemblymember Ron Calderon to the Select Committee on California Indian Nations.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 15, 2003

E. Dotson Wilson

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

Dear Dotson: This is to advise you that I have appointed Assemblymember Gloria Negrete McLeod to the Select Committee on Community Colleges.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 17, 2003

E. Dotson Wilson

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

Dear Dotson: Please be advised that I have appointed the following members to the Select Committee on Adult Education:

Assemblymember Lynn Daucher, Vice Chair Assemblymember Ed Chavez Assemblymember Jackie Goldberg Assemblymember Loni Hancock Assemblymember Patricia Wiggins Assemblymember Mark Wyland

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 17, 2003

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

RE: Rescinding the appointment of Irene Hirano to California Cultural and Historical Endowment

Dear Mr. Wilson: Please be advised I have rescinded the appointment of Ms. Irene Hirano to the California Cultural and Historical Endowment effective September 8, 2003.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 17, 2003

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

RE: Appointment of Georgette Imura to California Cultural and Historical Endowment

Dear Mr. Wilson: Please be advised I have appointed Ms. Georgette Imura to the California Cultural and Historical Endowment. This is a pleasure appointment starting September 17, 2003. Ms. Imura will be replacing Ms. Irene Hirano.

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

September 18, 2003

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

Dear Dotson: This is to advise you that I have appointed Assemblymember Sally Lieber to serve as Co-Chair of the Joint Committee To Develop a Master Plan to End Poverty in California.

Sincerely.

HERB J. WESSON, JR. Speaker of the California Assembly

September 18, 2003

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

Dear Dotson: Please be advised that I have created the Select Committee on California's Foreign Trade Offices for the 2003–04 Regular Session. I have appointed Assemblymember Leland Yee as the Chair and have appointed the following members to the Committee:

Assemblymember Rudy Bermudez Assemblymember Wilma Chan Assemblymember David Cogdill Assemblymember Lou Correa Assemblymember Lynn Daucher Assemblymember Mervyn Dymally Assemblymember Marco Firebaugh Assemblymember Hannah-Beth Jackson Assemblymember Doug La Malfa Assemblymember Tim Leslie Assemblymember Alan Lowenthal Assemblymember Ken Maddox Assemblymember Cindy Montanez Assemblymember Alan Nakanishi Assemblymember Jenny Oropeza Assemblymember Fabian Nunez Assemblymember Mark Ridley-Thomas Assemblymember Tony Strickland Assemblymember Juan Vargas

Sincerely,

HERB J. WESSON, JR. Speaker of the California Assembly

The following communication was presented by the Chief Clerk:

Pursuant to Judge Cadei's judgment of August 25, 2003, and in accordance with the provisions of Elections Code sections 9050–9051, 9092 13280–13281, 13247, and Government Code sections 88002–88003, enclosed is a REVISED Ballot Title and Summary for the following measure:

# Proposition 54 Classification by Race, Ethnicity, Color, or National Origin. Initiative Constitutional Amendment

Referred by the Speaker to the Committees on Judiciary and Elections, Redistricting and Constitutional Amendments.

# **REPORTS**

The following letters of transmittal were presented by the Chief Clerk and ordered printed in the Journal:

California State Auditor

2003-108.1 August 27, 2003

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 Bureau of State Audits presents its audit report concerning the rising cost of medical services in California's workers' compensation system.

This report concludes that rising costs of medical services and products are contributing to the increasing costs of the workers' compensation system—costs that California's employers are required to pay. These medical costs are rising, in part, because the State has not taken the necessary steps to ensure that the cost of treating injured workers is within reasonable limits. A lack of action to address these and other issues by the Department of Industrial Relations' Workers' Compensation Division (division), budget reductions, and restrictions placed on the system by past legislation, have contributed to the inadequate controls over medical costs. Despite mandates to update existing fee schedules for medical services and products, and statutory authority to develop fees for services not covered under existing schedules, the division has not maintained or fully developed the medical payment system. The medical payment system also lacks a process for using consistent medical treatment guidelines to determine necessary medical treatment and resolve disputes between insurers or claims administrators and medical professionals—a key feature in controlling costs and discouraging the under- or overutilization of medical services.

Proposed improvements for controlling costs of the medical payment system entail the use of fee schedules developed by other entities, such as Medicare. To satisfy the needs of California's workers' compensation system, these fee schedules may need to be modified and there is no universal standard for what adjustments may be needed. As a result, policymakers will need to determine the suitability of any adjustments to those fees while considering the effects those decisions may have on

injured workers' access to quality care. However, the division does not currently have a data collection system that will produce the information necessary to monitor medical costs, the effect of system reforms, and the accessibility of care for injured workers.

Respectfully submitted,

ELAINE M. HOWLE State Auditor

Above report referred to the Committee on Insurance.

California State Auditor

2003-008 September 3, 2003

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: The Bureau of State Audits presents its audit report of the State Treasurer's Office statement of securities accountability as of December 31, 2002.

The statement of securities accountability presents the securities owned by or pledged to the State directly, or under investment agreements, and those securities held for safekeeping. The State Treasurer's Office is responsible for the safekeeping of all securities held in the treasury or other depositories. It is not responsible for securities owned by or pledged to the University of California, or for securities in other depositories owned by or pledged to the Public Employees' Retirement System, the State Teachers' Retirement System, the Legislators' Retirement System, or the Judges' Retirement System. For the statement of securities accountability, the State Treasurer's Office assigned dollar amounts to each security for ease of accountability rather than for purposes of valuing securities at cost or market. The dollar amounts assigned represent the par or face value, the original face value, the original principal value, the current outstanding principal balance, or a nominal value of \$1 per certificate or note. Therefore, the dollar amounts presented in the statement of securities accountability should not be used to determine the value of investments of, or pledged to, the State. We found that the statement presents fairly the securities accountability of the State Treasurer's Office as of December 31, 2002.

We conducted this audit to comply with the California Government Code, Section 13299.1.

Respectfully submitted,

ELAINE M. HOWLE State Auditor

Above report referred to the Committee on Banking and Finance.

# California State Auditor

2002-019 September 11, 2003

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

Members of the Assembly: As required by Chapter 195, Statutes of 2001, the Bureau of State Audits presents its audit report concerning Los Angeles County Department of Health Services' (Health Services) financial capacity to render health care services to county residents.

This report concludes that despite implementing some cost-cutting measures and securing additional funding, Health Services still faces significant challenges to addressing its growing budget deficit. At the end of fiscal year 2001–02, Health Services projected a budget deficit of \$709.4 million by fiscal year 2005–06. To alleviate this shortfall, Health Services developed a new strategic plan in June 2002. As a result of an initiative approved by voters in November 2002, and agreements with the State and federal government, Health Services is now pursuing a plan designed to result in annual net savings increasing to \$357.5 million in fiscal year 2005–06. However, even though Health Services has successfully implemented many action items from its new strategic plan, preliminary injunctions and prolonged negotiations threaten the implementation of other proposals. Finally, even if Health Services successfully implements all of its strategic plan proposals, it would still face an estimated budget deficit of \$345.4 million in fiscal year 2006-07. Without stable funding and cost-cutting flexibility, Health Services' future financial viability and capacity to provide health care services to the residents of Los Angeles County will continue to remain in question.

Respectfully submitted,

ELAINE M. HOWLE State Auditor

Above report referred to the Committee on Health.

# California State Auditor

Investigative Report I2003-2 September 17, 2003

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: Pursuant to the California Whistleblower Protection Act, the Bureau of State Audits presents its investigative report summarizing investigations of improper governmental activity completed from February 2003 through June 2003.

Respectfully submitted,

ELAINE M. HOWLE State Auditor

Above report referred to the Committee on Business and Professions.

# **ENGROSSMENT AN ENROLLMENT REPORTS**

Assembly Chamber, September 15, 2003

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

Assembly Bill No. 24	Assembly Bill No. 642
Assembly Bill No. 76	Assembly Bill No. 643
Assembly Bill No. 115	Assembly Bill No. 739
Assembly Bill No. 195	Assembly Bill No. 833
Assembly Bill No. 248	Assembly Bill No. 841
Assembly Bill No. 299	Assembly Bill No. 845
Assembly Bill No. 394	Assembly Bill No. 1038
Assembly Bill No. 514	Assembly Bill No. 1061
Assembly Bill No. 560	Assembly Bill No. 1144
Assembly Bill No. 635	•

And reports the same correctly enrolled, and presented to the Governor on the 15th day of September, 2003, at 11:30 a.m.

#### E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 2003

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

Assembly Bill No. 43	Assembly Bill No. 1303
Assembly Bill No. 290	Assembly Bill No. 1309
Assembly Bill No. 786	Assembly Bill No. 1350
Assembly Bill No. 866	Assembly Bill No. 1371
Assembly Bill No. 1191	Assembly Bill No. 1389
Assembly Bill No. 1216	Assembly Bill No. 1392
Assembly Bill No. 1218	Assembly Bill No. 1525
Assembly Bill No. 1241	Assembly Bill No. 1553
Assembly Bill No. 1248	Assembly Bill No. 1555
Assembly Bill No. 1301	Assembly Bill No. 1716

And reports the same correctly enrolled, and presented to the Governor on the 15th day of September, 2003, at 3~p.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 2003

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

Assembly Bill No. 552

Assembly Bill No. 1570

And reports the same correctly enrolled, and presented to the Governor on the 15th day of September, 2003, at 3 p.m.

### Assembly Chamber, September 16, 2003

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

Assembly Bill No. 1201
Assembly Bill No. 1418
Assembly Bill No. 1545
Assembly Bill No. 1697
Assembly Bill No. 1731
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And reports the same correctly enrolled, and presented to the Governor on the 16th day of September, 2003, at 11 a.m.

#### E. DOTSON WILSON, Chief Clerk

# Assembly Chamber, September 16, 2003

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

Assembly Bill No. 52	Assembly Bill No. 361
Assembly Bill No. 54	Assembly Bill No. 446
Assembly Bill No. 106	Assembly Bill No. 593
Assembly Bill No. 149	Assembly Bill No. 650
Assembly Bill No. 183	Assembly Bill No. 847
Assembly Bill No. 184	Assembly Bill No. 1262
Assembly Bill No. 227	Assembly Bill No. 1742

And reports the same correctly enrolled, and presented to the Governor on the 16th day of September, 2003, at 3 p.m.

#### E. DOTSON WILSON, Chief Clerk

# Assembly Chamber, September 17, 2003

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

Assembly Bill No. 199	Assembly Bill No. 776
Assembly Bill No. 294	Assembly Bill No. 844
Assembly Bill No. 313	Assembly Bill No. 898
Assembly Bill No. 352	Assembly Bill No. 942
Assembly Bill No. 433	Assembly Bill No. 946
Assembly Bill No. 663	Assembly Bill No. 954
Assembly Bill No. 676	Assembly Bill No. 984
Assembly Bill No. 682	Assembly Bill No. 998
Assembly Bill No. 766	Assembly Bill No. 1196
Assembly Bill No. 773	Assembly Bill No. 1594

And reports the same correctly enrolled, and presented to the Governor on the 17th day of September, 2003, at 11 a.m.

#### E. DOTSON WILSON, Chief Clerk

#### Assembly Chamber, September 17, 2003

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

Assembly Bill No. 47	Assembly Bill No. 1059
Assembly Bill No. 121	Assembly Bill No. 1097
Assembly Bill No. 190	Assembly Bill No. 1099
Assembly Bill No. 197	Assembly Bill No. 1101
Assembly Bill No. 260	Assembly Bill No. 1210
Assembly Bill No. 331	Assembly Bill No. 1245
Assembly Bill No. 375	Assembly Bill No. 1343
Assembly Bill No. 827	Assembly Bill No. 1449
Assembly Bill No. 962	Assembly Bill No. 1528
Assembly Bill No. 999	Assembly Bill No. 1625

And reports the same correctly enrolled, and presented to the Governor on the  $17th\ day\ of\ September,\ 2003,\ at\ 3\ p.m.$ 

Assembly Chamber, September 18, 2003

Mr. Speaker: Pursuant to your instructions, the	Chief Clerk has examined:
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Assembly Bill No. 85	Assembly Bill No. 801
Assembly Bill No. 158	Assembly Bill No. 828
Assembly Bill No. 233	Assembly Bill No. 978
Assembly Bill No. 274	Assembly Bill No. 991
Assembly Bill No. 396	Assembly Bill No. 1028
Assembly Bill No. 401	Assembly Bill No. 1049
Assembly Bill No. 436	Assembly Bill No. 1137
Assembly Bill No. 453	Assembly Bill No. 1286
Assembly Bill No. 561	Assembly Bill No. 1541
Assembly Bill No. 568	Assembly Bill No. 1548

And reports the same correctly enrolled, and presented to the Governor on the 18th day of September, 2003, at 11 a.m.

## E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 18, 2003

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

Assembly Bill No. 68	Assembly Bill No. 1244
Assembly Bill No. 177	Assembly Bill No. 1321
Assembly Bill No. 608	Assembly Bill No. 1355
Assembly Bill No. 616	Assembly Bill No. 1598
Assembly Bill No. 977	Assembly Bill No. 1628
Assembly Bill No. 1036	•

And reports the same correctly enrolled, and presented to the Governor on the 18th day of September, 2003, at 11 a.m.

#### E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 18, 2003

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined: Assembly Bill No. 1302

And reports the same correctly enrolled, and presented to the Governor on the 18th day of September, 2003, at 3:30 p.m.

# E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 19, 2003

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined: Assembly Bill No. 1679 Assembly Bill No. 577 Assembly Bill No. 1085 Assembly Bill No. 1775 Assembly Bill No. 1777

Assembly Bill No. 1438 Assembly Bill No. 1634

And reports the same correctly enrolled, and presented to the Governor on the 19th day of September, 2003, at 11 a.m.

#### E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 19, 2003

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

Assembly Bill No. 66 Assembly Bill No. 935 Assembly Bill No. 71 Assembly Bill No. 1093 Assembly Bill No. 161 Assembly Bill No. 264 Assembly Bill No. 1219 Assembly Bill No. 1238 Assembly Bill No. 304 Assembly Bill No. 1428 Assembly Bill No. 319 Assembly Bill No. 1458 Assembly Bill No. 512 Assembly Bill No. 1469 Assembly Bill No. 526 Assembly Bill No. 1479 Assembly Bill No. 692 Assembly Bill No. 1512 Assembly Bill No. 906 Assembly Bill No. 1627

And reports the same correctly enrolled, and presented to the Governor on the 19th day of September, 2003, at 3 p.m.

Assembly Chamber, September 19, 2003

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

Assembly Bill No. 1649 Assembly Bill No. 1770 Assembly Bill No. 1666 Assembly Bill No. 1783 Assembly Bill No. 1669

And reports the same correctly enrolled, and presented to the Governor on the 19th day of September, 2003, at 3 p.m.

#### E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 22, 2003

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

Assembly Concurrent Resolution No. 66 Assembly Concurrent Resolution No. 69 Assembly Concurrent Resolution No. 106 Assembly Concurrent Resolution No. 112 Assembly Concurrent Resolution No. 114 Assembly Concurrent Resolution No. 117 Assembly Concurrent Resolution No. 124 Assembly Concurrent Resolution No. 125 Assembly Concurrent Resolution No. 127 Assembly Concurrent Resolution No. 128 Assembly Concurrent Resolution No. 130 Assembly Concurrent Resolution No. 132 Assembly Concurrent Resolution No. 134 Assembly Concurrent Resolution No. 136

Assembly Concurrent Resolution No. 137

Assembly Concurrent Resolution No. 138

Assembly Joint Resolution No. 7

Assembly Joint Resolution No. 38

Assembly Joint Resolution No. 40

Assembly Joint Resolution No. 46

And reports the same correctly enrolled, and presented to the Secretary of State on the 22nd day of September, 2003, at 11:30 a.m.

# E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 22, 2003

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

Assembly Joint Resolution No. 48 Assembly Joint Resolution No. 49

And reports the same correctly enrolled, and presented to the Secretary of State on the 22nd day of September, 2003, at 11:30 a.m.

## E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 22, 2003

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

Assembly Bill No. 49 Assembly Bill No. 1290 Assembly Bill No. 94 Assembly Bill No. 1326 Assembly Bill No. 163 Assembly Bill No. 1340 Assembly Bill No. 413 Assembly Bill No. 626 Assembly Bill No. 1506 Assembly Bill No. 1532 Assembly Bill No. 677 Assembly Bill No. 1631 Assembly Bill No. 679 Assembly Bill No. 1668 Assembly Bill No. 899 Assembly Bill No. 1685 Assembly Bill No. 1051 Assembly Bill No. 1771 Assembly Bill No. 1133

And reports the same correctly enrolled, and presented to the Governor on the 22nd day of September, 2003, at 4 p.m.

Assembly Chamber, September 22, 2003

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

Assembly Bill No. 763

And reports the same correctly enrolled, and presented to the Governor on the 22nd day of September, 2003, at 4 p.m.

E. DOTSON WILSON, Chief Clerk

# **MESSAGES FROM THE GOVERNOR**

The following messages from the Governor were received and ordered printed in the Journal:

# Governor's Message—Assembly Bill No. 1220

September 16, 2003

To the Members of the California Legislature:

I am signing Assembly Bill 1220, which requires that a Heart Disease and Stroke Prevention Task Force be convened by the Department of Health Services (DHS) using funding exclusively from foundations and private sources. The Task Force would create a Cardiovascular Disease and Stroke Prevention and Treatment State Master Plan which would place California in a more advantageous position to receive additional federal dollars to reduce the morbidity, mortality and economic burden of heart disease and stroke.

I strongly support public-private partnerships and am pleased that the American Heart Association has already pledged \$50,000 for this worthwhile effort. DHS has indicated that this effort is a high priority for its public health efforts and will absorb the associated staff costs with the Task Force within existing resources. I commend the author and sponsors for their hard work on this issue and look forward to working with them on the report.

Sincerely,

**GRAY DAVIS** 

# Governor's Message—Assembly Bill No. 1241

September 16, 2003

To the Members of the California Legislature:

I am signing Assembly Bill 1241, which establishes the Associate Degree Nursing (ADN) Pilot Program which would provide scholarships and loans to ADN students in counties that demonstrate the most need as specified by certain criteria. The pilot program would be funded through the existing Registered Nursing Education Fund which utilized a \$5 assessment on nurse licensing fees.

The Office of Statewide Health Planning and Development has indicated that implementation of this bill can be accomplished within existing resources.

Sincerely,

**GRAY DAVIS** 

HERB J. WESSON, JR., Speaker

PAM CAVILEER. Minute Clerk