CALIFORNIA LEGISLATURE

1997–98 REGULAR SESSION

ASSEMBLY JOURNAL

RECESS JOURNAL NO. 26

FINAL RECESS

Assembly Chamber, Sacramento
October 1, 1998

Pursuant to the provisions of Joint Rule 59, the following Assembly Journal for the 1997–98 Regular Session was printed while the Assembly was in Final Recess:

COMMUNICATIONS

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

September 8, 1998

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

Dear Dotson: Please be advised that I have appointed Assemblymember Sheila Kuehl as Chair of the Select Committee on Entertainment and the Arts in place of myself.

Sincerely,

ANTONIO R. VILLARAIGOSA
Speaker of the Assembly

September 10, 1998

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

Dear Dotson: Please be advised that I have appointed Assemblymember Rod Wright as Chairman of the Utilities and Commerce Committee in place of Assemblymember Diane Martinez.

Sincerely,

ANTONIO R. VILLARAIGOSA
Speaker of the Assembly

The following communication was presented by the Chief Clerk, and ordered printed in the Journal:

Explanation of Vote—Assembly Bill No. 2794

September 11, 1998

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

Dear Dotson: I am writing this letter for submission to the journal to explain my vote on AB 2794.

In the final hours of session during the early morning of September 1, I incorrectly cast a ''no'' vote on AB 2794. Given the fact that I was the member who submitted the portion of the bill concerning the Kerman Community Center, obviously I supported the bill, but confused it with another.

Sincerely,

ROBERT PRENTER, Assembly Member
Thirtieth District

The following qualified initiative was received by the Chief Clerk from:

Bill Jones, Secretary of State, dated August 19, 1998, entitled:

Juvenile Crime. Initiative Statute.

Referred pursuant to Elections Code, Section 9034, to the Committees on Public Safety and Elections, Reapportionment and Constitutional Amendments.

The following proposed initiative was received by the Chief Clerk from:

Connie Lemus, Initiative Coordinator, Department of Justice, Office of the Attorney General, Sacramento, transmitting copies of the title, summary, and text of the following proposed initiative pursuant to Elections Code, Section 9007.

State Officers' Compensation. Voter Approval.
Initiative Constitutional Amendment.

Referred by the Speaker to the Committee on Rules.

Connie Lemus, Initiative Coordinator, Department of Justice, Office of the Attorney General, transmitting copies of the ballot titles, summaries, and labels, November 3, 1998 General Election Ballot, for the following Propositions in accordance with the provisions of Section 3 (Chapter 413, Statutes of 1997) and in accordance with Elections Code, Sections 9050–9051, 13280–13281, and 13247, and Government Code, Sections 88002–88003:

Proposition 1A
Class Size Reduction Kindergarten–University
Public Education Facilities Bond Act of 1998.
Chapter 407, Statutes of 1998 (SB 50).

Referred by the Speaker to the Committees on Education and Higher Education.

Proposition 11
Local Sales and Use Taxes—Revenue Sharing.
Legislative Constitutional Amendment.
Resolution Chapter 133, Statutes of 1998 (ACA 10).
Chapter 408, Statutes of 1998 (SB 520).

Referred by the Speaker to the Committee on Local Government.

Connie Lemus, Initiative Coordinator, Department of Justice, Office of the Attorney General, Sacramento, transmitting copies of the title, summary, and text of the following proposed initiatives, pursuant to Section 9007, Elections Code.

Referendum Vote to Overturn Previously Approved Gaming Compacts.
(SA 98 RF 0018)

Referred by the Speaker to the Committee on Governmental Organization.

The following communication was presented by the Chief Clerk from:

S. Kimberly Belshé, Director, Department of Health Services, relative to appropriation of funds for local health agencies to implement beach safety and water quality monitoring program mandated by Chapter 765, Statutes of 1997.

Referred by the Speaker to the Committee on Environmental Safety and Toxic Materials.

REPORTS

The following reports were presented by the Chief Clerk:

1998 OAL Determination No. 13
(Department of Corrections) Docket No. 91-010

1998 OAL Determination No. 14
(Employment Development Department) Docket No. 91-011

1998 OAL Determination No. 15
(Board of Registration for Professional Engineers and Land Surveyors)
Docket No. 91-013

1998 OAL Determination No. 16
(Franchise Tax Board) Docket No. 91-014

1998 OAL Determination No. 17
(Department of Corrections) Docket No. 91-015

1998 OAL Determination No. 18
(Department of Corrections) Docket No. 91-016

1998 OAL Determination No. 19
(Department of Corrections) Docket No. 91-019

Above transmitted reports, together with letters of transmittal from Edward G. Heidig, Director, Office of Administrative Law, Sacramento, referred by the Speaker to the Committee on Consumer Protection, Governmental Efficiency and Economic Development.

Final Environmental Assessment
Public Law 84-99 Levee Rehabilitation in Reclamation Districts 108 and 787 and Sacramento River Bank Protection Project
Rock Slope Protection in Reclamation District 108
Left Bank of Colusa Basin Drain Yolo and Colusa Counties, California

Above transmitted report, together with letter of transmittal from Dorothy F. Klasse, Colonel, Corps of Engineers, District Engineer, Department of the Army, Sacramento, dated August 7, 1998, referred by the Speaker to the Committee on Water, Parks and Wildlife.

Draft Environmental Assessment/Initial Study
Public Law 84-99 Levee Restoration Reclamation District 17
San Joaquin County, California

Draft Environmental Assessment and Initial Study
PL 84-99 Levee Rehabilitation
Reclamation District 999
Sutter Slough and Miner Slough
Solano County and South Levee, Sacramento Bypass Yolo County, California

Draft Environmental Assessment/Initial Study
Public Law 84-99 Levee Restoration Marysville Levee District
Yuba County, California

Above transmitted reports, together with letter of transmittal from Raymond E. Williams, Chief, Phase III Final Restoration Branch, Department of the Army, Sacramento, dated August 18, 1998, referred by the Speaker to the Committee on Water, Parks and Wildlife.

Quarterly Report to the Governor and Legislature on
Parole Revocation Hearing Process Hold-to-Disposition Statistics
(Pursuant to Item 5440-001-0001,
Supplemental Report of the 1997 Budget Act)

Above transmitted report, together with letter of transmittal from James W. Nielsen, Chairman, Board of Prison Terms, Sacramento, dated August 19, 1998, referred by the Speaker to the Committee on Budget.

Trial Court Unification: Revision of Codes,
28 Cal.L. Revision Comm'n Reports 51(1998)
(Pursuant to Sections 8291 and 9795, Government Code)

Above transmitted report, together with letter of transmittal from Nathaniel Sterling, Executive Secretary, California Law Revision Commission, Palo Alto, dated August 20, 1998, referred by the Speaker to the Committee on Judiciary.

Report on Lottery Expenditures for K–12 Education, 1996–97
(Pursuant to Control Section 24.60, Department of Education,
Budget Act of 1997)

Above transmitted report, together with letter of transmittal from Susie Lange, Deputy Superintendent, Department Management Services Branch, Department of Education, Sacramento, dated July 31, 1998, referred by the Speaker to the Committee on Budget.

1998 Transmission Reliability Report
(Pursuant to Section 350, Public Utilities Code)

Above transmitted report, together with letter of transmittal from Gary C. Heath, Executive Director, Electricity Oversight Board, Sacramento, dated September 3, 1998, referred by the Speaker to the Committee on Utilities and Commerce.

Consulting Services Contract Report
(Pursuant to Section 10359, Public Contract Code)

Above transmitted report, together with letter of transmittal from Ray Remy, Director, Employment Development Department, dated August 11, 1998, referred by the Speaker to the Committee on Labor and Employment.

Employment Development Department Building Fund Transfers to the Federal Unemployment Fund
(Pursuant to Item 5100-311-0690, Chapter 282, Statutes of 1997

Above transmitted report, together with letter of transmittal from Ray Remy, Director, Employment Development Department, Sacramento, dated September 2, 1998, referred by the Speaker to the Committee on Budget.

Employment Training Fund Disencumbrances and Reappropriations
(Pursuant to Item 5100-001-0514, Chapter 282, Statutes of 1997)

Above transmitted report, together with letter of transmittal from Ray Remy, Director, Employment Development Department, Sacramento, dated September 2, 1998, referred by the Speaker to the Committee on Budget.

Employment Training Panel
Strategic Plan 1998–2001
(Pursuant to Section 10205(a), Unemployment Insurance Code)

Above transmitted report, together with letter of transmittal from Gerald G. Geismar, Executive Director, Employment Training Panel, Sacramento, dated August 25, 1998, referred by the Speaker to the Committee on Labor and Employment.

Development of Risk-Based Concentrations for Arsenic, Cadmium, and Lead in Inorganic Commercial Fertilizers
(Pursuant to Item 8570-001-0001 of the Supplemental Report of the 1998 Budget Act, 1998–99 Fiscal Year)

Above transmitted report, together with letter of transmittal from Ann M. Veneman, Secretary, Department of Food and Agriculture, dated September 1, 1998, referred by the Speaker to the Committee on Budget.

Franchise Tax Board Daily Compound Interest Rate Table from January 1, 1999–June 30, 1999
(Pursuant to Section 19521, Revenue and Taxation Code)

Above transmitted report, together with letter of transmittal from George Ramsey, Manager, Statistical Research Bureau, Franchise Tax Board, Sacramento, dated August 12, 1998, referred by the Speaker to the Committee on Revenue and Taxation.

Electronically Issuing Orders to Withhold to Financial Institutions
(Pursuant to Assembly Bill 1011, Chapter 222, Statutes of 1995)

Above transmitted report, together with letter of transmittal from Laurie Rhea, Senior Analyst, Research & Innovation Section, Franchise Tax Board, Sacramento, dated September 1, 1998, referred by the Speaker to the Committee on Revenue and Taxation.

Review of Statewide Uniform Child Support Guideline 1998
(Pursuant to Section 4054, Family Code)

Above transmitted report, together with letter of transmittal from William C. Vickrey, Administrative Director of the Courts, Judicial Council of California, San Francisco, dated August 21, 1998, referred by the Speaker to the Committee on Judiciary.

Office of Inspector General—
Office of Investigation State Fraud Branch—
Medicaid Fraud Control Unit Quarterly Statistical Report

Above transmitted report, together with letter of transmittal from Thomas A. Temmerman, Director, Bureau of Medi-Cal Fraud, Department of Justice, dated August 12, 1998, referred by the Speaker to the Committee on Health.

Report on Interest Penalties Paid on Undisputed Refund Claims
(Pursuant to Section 926.19, Government Code)

Above transmitted report, together with letter of transmittal from Sally R. Reed, Director, Department of Motor Vehicles, Sacramento, dated August 26, 1998, referred by the Speaker to the Committee on Transportation.

1997–98 Consulting Services Contract Reports
(Pursuant to Section 10359, Public Contract Code)

Above transmitted report, together with letter of transmittal from David J. Tirapelle, Director, Department of Personnel Administration, Sacramento, dated August 11, 1998, referred by the Speaker to the Committee on Labor and Employment.

Report to the California Legislature and
Exclusive Representatives of State Employees on
Information Relevant to the Salaries for Female Dominated Jobs
(Pursuant to Section 19827.2, Government Code)

Above transmitted report, together with letter of transmittal from David J. Tirapelle, Director, Department of Personnel Administration, Sacramento, dated September 1, 1998, referred by the Speaker to the Committee on Labor and Employment.

Report to the Legislature on
New Career Executive Assignment (C.E.A.) Positions
(Pursuant to Item 1880-001-0001,
Supplemental Report of the 1997 Budget Act)

Above transmitted report, together with letter of transmittal from Walter Vaughn, Executive Officer, California State Personnel Board, Sacramento, dated August 28, 1998, referred by the Speaker to the Committee on Budget.

Report to the Legislature on
the Implementation of Women, Minority and Disabled Veterans
Business Enterprises Program for Public Utilities
(Pursuant to Section 8283, Public Utilities Code)

Above transmitted report, together with letter of transmittal from Wesley M. Franklin, Executive Director, Public Utilities Commission, San Francisco, dated September 1, 1998, referred by the Speaker to the Committee on Utilities and Commerce.

Children Freed for Adoption Prior to Identifying an Adoptive Family
(Pursuant to AB 1523, Chapter 540, Statutes of 1995)

Above transmitted report, together with letter of transmittal from Eloise Anderson, Director, Department of Social Services, Sacramento, dated August 5, 1998, referred by the Speaker to the Committee on Human Services.

Public Authorities and Nonprofit Consortia to Provide for the Delivery of In-Home Supportive Services
(Pursuant to Chapter 206, Statutes of 1996)

Above transmitted report, together with letter of transmittal from Eloise Anderson, Director, Department of Social Services, Sacramento, dated August 14, 1998, referred by the Speaker to the Committee on Human Services.

Status of the Implementation of the Task Frequency Mode of Service Delivery
(Pursuant to Section 12302.7(s), Welfare and Institutions Code)

Above transmitted report, together with letter of transmittal from Eloise Anderson, Director, Department of Social Services, Sacramento, dated August 17, 1998, referred by the Speaker to the Committee on Human Services.

Addendum to Report to the Legislature on Regulatory Activities of South Coast Air Quality Management District
(Pursuant to Chapter 1702, Statutes of 1990)

Above transmitted report, together with letter of transmittal from Barry R. Wallerstein, D.Env. Acting Executive Director, South Coast Air Quality Management District, Diamond Bar, dated July 29, 1998, referred by the Speaker to the Committee on Natural Resources.

Annual Report Cal-Vet Insurance Plans
(Pursuant to AB 4355, Chapter 1170, Statutes of 1974)

Above transmitted report, together with letter of transmittal from Michael Madalo, Chief, Farm and Home Purchases, Department of Veterans Affairs, Sacramento, dated September 1, 1998, referred by the Speaker to the Committee on Governmental Organization.

Report to the Legislature on Administration of the Clean Water Bond Law of 1984 (Proposition 25) Water Conservation and Water Quality Bond Law of 1986 (Proposition 44) Water Conservation Bond Law of 1988 (Proposition 82)
(Pursuant to Section 14014, Water Code)

Above transmitted report, together with letter of transmittal from David N. Kennedy, Director, Department of Water Resources, dated August 11, 1998, referred by the Speaker to the Committee on Water, Parks and Wildlife.

1997 Annual Census of State Employees and Affirmative Action Report
(Pursuant to Sections 19237, 19405, 19705, 19792.5(b), and 19793, Government Code)

Above transmitted report, together with letter of transmittal from Walter Vaughn, Executive Officer, California State Personnel Board, Sacramento, dated August 31, 1998, referred by the Speaker to the Committee on Labor and Employment.

Quarterly Report to the Governor and Legislature on Pardon and Death Penalty Investigations (Pursuant to Item 5440-001-0001, Supplemental Report of the 1997 Budget Act)

Above transmitted report, together with letter of transmittal from James W. Nielsen, Chairman, Board of Prison Terms, Sacramento, dated September 2, 1998, referred by the Speaker to the Committee on Budget.

Implementation Plan for Increasing the Number of Level of Care Staff in the Developmental Centers (Pursuant to the 1998–99 Budget Act Language, Item 4300-003-001)

Above transmitted report, together with letter of transmittal from Cliff Allenby, Director, Department of Developmental Services, Sacramento, dated September 21, 1998, referred by the Speaker to the Committee on Budget.

Natural Community Conservation Planning (Supplemental Report of the 1992 Budget Act)

Above transmitted report, together with letter of transmittal from Jacqueline E. Schafer, Director, Department of Fish and Game, Sacramento, dated September 21, 1998, referred by the Speaker to the Committee on Water, Parks and Wildlife.

Apprenticeship Related and Supplemental Instruction Programs for 1996–97 (Pursuant to the Budget Act of 1997, Item 6110-103-0001)

Above transmitted report, together with letter of transmittal from Daniel Alvarez, Deputy Superintendent, External Affairs Branch, Department of Education, Sacramento, dated September 15, 1998, referred by the Speaker to the Committee on Budget.

COMMUNICATIONS

The following letters of transmittal were presented by the Speaker, and ordered printed in the Journal:

California State Auditor

98023
August 27, 1998

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 concerning the State's reported progress in fixing its critical computer projects for the year 2000. This report concludes that state agencies may not be as far along in fixing their critical computer projects as previously reported. Furthermore, many critical projects may not actually be ready for the next millennium because state agencies are not thoroughly testing their remediation efforts, have not completed all the necessary steps to address interfaces with data exchange partners, such as counties and the federal government, and

have not completed business-continuation plans to ensure the uninterrupted delivery of critical services into the next century.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Above report referred to the Committee on Consumer Protection, Governmental Efficiency and Economic Development.

California State Auditor

Investigative Report I98-2
September 2, 1998

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 it investigative report concerning investigations of improper governmental activity completed from February 1 through June 30, 1998.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Above report referred to the Committee on Consumer Protection, Governmental Efficiency and Economic Development.

California State Auditor

97127
September 9, 1998

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 use of bond proceeds issued under the Marks-Roos Local Bond Pooling Act of 1985 (act). This report concludes that the cities of Waterford and San Joaquin have exploited the act to generate lucrative fees by financing highly speculative projects that do not directly benefit their cities. The cities established Public Finance Authorities (PFA) which issued $148.9 million in bonds to finance projects located throughout the State and, in return, received $1.3 million in fees. However, they exercised little control over the projects to ensure their viability and control costs, and many of the projects are not generating sufficient revenues to make debt payments. Unless the PFAs are able to raise the money to make these payments, they will default on the bonds. The cities of Lake Elsinore, Coalinga, and Oroville also engaged in questionable, though less egregious,

practices. Finally, although the other seven cites did not appear to have misused the act, four exposed bondholders to increased risk by financing projects outside their jurisdictions.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Above report referred to the Committee on Local Government.

California State Auditor

97125
September 15, 1998

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 annual cost to the State for incarcerating inmates under the jurisdiction of the Department of Corrections (department). The report reviews the department's own calculation of inmate costs at the 32 prisons and determines whether the included cost factors are appropriate and reasonable. We also calculated the annual incarceration costs per inmate for each of the 32 state-run prisons operating during fiscal year 1996–97, as well as a statewide cost per inmate. This report concludes that the department's calculation appropriately includes most of the direct and indirect operating costs but lacks certain indirect operating costs as well as capital costs for prison construction and expansion. Our calculation includes all operating (direct and indirect) costs and capital costs. We found that per-inmate costs vary significantly from one prison to another. Annual costs per inmate for the 32 prisons ranged from $18,562 to $38,554 for fiscal year 1996–97. The statewide average was $24,807.

In conclusion, we recommend that, to accurately determine the cost of incarceration, the department should include all costs, both operating and capital, when calculating how much the State pays annually to incarcerate criminals.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Above report referred to the Committee on Public Safety.

California State Auditor

98102
September 24, 1998

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 Prison Industry Authority's (PIA) purchase and resale of finished goods and services. This report concludes that the PIA bought finished goods from the private sector 656 times and lost $208,000 on their resale during the period we reviewed with the losses being subsidized by customers buying the PIA's other goods and services. Further, for some items it frequently purchases from the private sector, the PIA does not plan ahead to meet its customers' demands. Instead, the PIA sometimes uses emergency procurement procedures inappropriately to purchase finished goods and services, which limits competition and may not reflect the lowest cost. In addition, the PIA does not technically have the legal authority to buy and resell finished goods and services to its customers. This authority is vested in the Prison Industry Board and has not been delegated to the PIA. Finally, the PIA is acting strictly as a middleman in its purchase and resale of processed eggs, a product the PIA does not produce. Such an arrangement does not contribute to its mission of promoting inmate employment, duplicates the efforts of other state procurement units, and may result in additional administrative costs.

Respectfully submitted,

MARIANNE P. EVASHENK

for

KURT R. SJOBERG
State Auditor

Above report referred to the Committee on Public Safety.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, September 1, 1998

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

Assembly Concurrent Resolution No. 64
Assembly Concurrent Resolution No. 92
Assembly Concurrent Resolution No. 133
Assembly Concurrent Resolution No. 155
Assembly Concurrent Resolution No. 161
Assembly Concurrent Resolution No. 171
Assembly Concurrent Resolution No. 184
Assembly Joint Resolution No. 76

And reports the same correctly enrolled, and presented to the Secretary of State on the 1st day of September, 1998, at 11:45 a.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 1, 1998

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

Assembly Bill No. 284
Assembly Bill No. 789
Assembly Bill No. 898
Assembly Bill No. 930
Assembly Bill No. 1389
Assembly Bill No. 1570
Assembly Bill No. 1726
Assembly Bill No. 1733
Assembly Bill No. 1780
Assembly Bill No. 1931
Assembly Bill No. 1944
Assembly Bill No. 1959
Assembly Bill No. 2438
Assembly Bill No. 2473
Assembly Bill No. 2506
Assembly Bill No. 2557
Assembly Bill No. 2597
Assembly Bill No. 2620
Assembly Bill No. 2705

And reports the same correctly enrolled, and presented to the Governor at 12:15 p.m., September 1, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 2, 1998

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

Assembly Bill No. 66
Assembly Bill No. 118
Assembly Bill No. 191
Assembly Bill No. 368
Assembly Bill No. 423
Assembly Bill No. 966
Assembly Bill No. 1021
Assembly Bill No. 1053
Assembly Bill No. 1368
Assembly Bill No. 1635
Assembly Bill No. 1692
Assembly Bill No. 1730
Assembly Bill No. 2002
Assembly Bill No. 2275
Assembly Bill No. 2329
Assembly Bill No. 2812

And reports the same correctly enrolled, and presented to the Governor at 12:15 p.m., September 2, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 1, 1998

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

Assembly Bill No. 1882
Assembly Bill No. 2472

And reports the same correctly enrolled, and presented to the Governor at 4:15 p.m., September 1, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 3, 1998

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

Assembly Bill No. 20
Assembly Bill No. 80
Assembly Bill No. 93
Assembly Bill No. 228
Assembly Bill No. 434
Assembly Bill No. 1133
Assembly Bill No. 1205
Assembly Bill No. 1338
Assembly Bill No. 1650
Assembly Bill No. 1838
Assembly Bill No. 1873
Assembly Bill No. 1966
Assembly Bill No. 2067
Assembly Bill No. 2102
Assembly Bill No. 2172
Assembly Bill No. 2292
Assembly Bill No. 2696
Assembly Bill No. 2707
Assembly Bill No. 2801

And reports the same correctly enrolled, and presented to the Governor at 11:15 a.m., September 3, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 3, 1998

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

Assembly Bill No. 1102
Assembly Bill No. 1150
Assembly Bill No. 2804

And reports the same correctly enrolled, and presented to the Governor at 2:30 p.m., September 3, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 4, 1998

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

Assembly Concurrent Resolution No. 20
Assembly Concurrent Resolution No. 176
Assembly Concurrent Resolution No. 180
Assembly Joint Resolution No. 58
Assembly Joint Resolution No. 71
Assembly Joint Resolution No. 77

And reports the same correctly enrolled, and presented to the Secretary of State on the 4th day of September, 1998, at 10 a.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 4, 1998

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

Assembly Bill No. 2771

And reports the same correctly enrolled, and presented to the Governor at 1 p.m., September 4, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 4, 1998

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

Assembly Bill No. 7
Assembly Bill No. 976
Assembly Bill No. 1068
Assembly Bill No. 1397
Assembly Bill No. 1569
Assembly Bill No. 1686
Assembly Bill No. 1789
Assembly Bill No. 1857
Assembly Bill No. 1864
Assembly Bill No. 1884
Assembly Bill No. 2006
Assembly Bill No. 2272
Assembly Bill No. 2301
Assembly Bill No. 2416
Assembly Bill No. 2633
Assembly Bill No. 2643
Assembly Bill No. 2650
Assembly Bill No. 2682
Assembly Bill No. 2697
Assembly Bill No. 2737

And reports the same correctly enrolled, and presented to the Governor at 1 p.m., September 4, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 4, 1998

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

Assembly Bill No. 227
Assembly Bill No. 469
Assembly Bill No. 496
Assembly Bill No. 535
Assembly Bill No. 805
Assembly Bill No. 1392
Assembly Bill No. 1605
Assembly Bill No. 1682
Assembly Bill No. 1827
Assembly Bill No. 2016
Assembly Bill No. 2023
Assembly Bill No. 2052
Assembly Bill No. 2224
Assembly Bill No. 2233
Assembly Bill No. 2268
Assembly Bill No. 2280
Assembly Bill No. 2375
Assembly Bill No. 2407
Assembly Bill No. 2522
Assembly Bill No. 2693

And reports the same correctly enrolled, and presented to the Governor at 3 p.m., September 4, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 8, 1998

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

Assembly Bill No. 131
Assembly Bill No. 509
Assembly Bill No. 645
Assembly Bill No. 910
Assembly Bill No. 911
Assembly Bill No. 947
Assembly Bill No. 984
Assembly Bill No. 1024
Assembly Bill No. 1136
Assembly Bill No. 1155
Assembly Bill No. 1169
Assembly Bill No. 1450
Assembly Bill No. 1651
Assembly Bill No. 1687
Assembly Bill No. 2066
Assembly Bill No. 2103
Assembly Bill No. 2173
Assembly Bill No. 2404
Assembly Bill No. 2554
Assembly Bill No. 2725

And reports the same correctly enrolled, and presented to the Governor at 10 a.m. September 8, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 8, 1998

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

Assembly Bill No. 466
Assembly Bill No. 810
Assembly Bill No. 1551
Assembly Bill No. 1630
Assembly Bill No. 1910
Assembly Bill No. 1962
Assembly Bill No. 1967
Assembly Bill No. 1988
Assembly Bill No. 2022
Assembly Bill No. 2061
Assembly Bill No. 2231
Assembly Bill No. 2401
Assembly Bill No. 2421
Assembly Bill No. 2432
Assembly Bill No. 2521
Assembly Bill No. 2528
Assembly Bill No. 2636
Assembly Bill No. 2733
Assembly Bill No. 2739
Assembly Bill No. 2741

And reports the same correctly enrolled, and presented to the Governor at 12 m., September 8, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 9, 1998

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

Assembly Bill No. 341
Assembly Bill No. 424
Assembly Bill No. 604
Assembly Bill No. 1613
Assembly Bill No. 1685
Assembly Bill No. 1748
Assembly Bill No. 1859
Assembly Bill No. 1963
Assembly Bill No. 2053
Assembly Bill No. 2128
Assembly Bill No. 2342
Assembly Bill No. 2363
Assembly Bill No. 2383
Assembly Bill No. 2390
Assembly Bill No. 2437
Assembly Bill No. 2447
Assembly Bill No. 2495
Assembly Bill No. 2551
Assembly Bill No. 2569
Assembly Bill No. 2598

And reports the same correctly enrolled, and presented to the Governor at 11 a.m., September 9, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 9, 1998

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

Assembly Concurrent Resolution No. 142
Assembly Concurrent Resolution No. 145
Assembly Concurrent Resolution No. 190

And reports the same correctly enrolled, and presented to the Secretary of State on the 9th day of September, 1998, at 11:45 a.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 10, 1998

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

Assembly Bill No. 332
Assembly Bill No. 357
Assembly Bill No. 698
Assembly Bill No. 952
Assembly Bill No. 972
Assembly Bill No. 1096
Assembly Bill No. 1134
Assembly Bill No. 1183
Assembly Bill No. 1233
Assembly Bill No. 1342
Assembly Bill No. 1624
Assembly Bill No. 1785
Assembly Bill No. 1879
Assembly Bill No. 2169
Assembly Bill No. 2282
Assembly Bill No. 2536
Assembly Bill No. 2651

And reports the same correctly enrolled, and presented to the Governor at 11:54 a.m., September 10, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 10, 1998

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

Assembly Bill No. 3
Assembly Bill No. 964
Assembly Bill No. 1077
Assembly Bill No. 1161
Assembly Bill No. 1453
Assembly Bill No. 1560
Assembly Bill No. 1626
Assembly Bill No. 1639
Assembly Bill No. 1642
Assembly Bill No. 1665
Assembly Bill No. 2116
Assembly Bill No. 2377
Assembly Bill No. 2611

And reports the same correctly enrolled, and presented to the Governor at 3 p.m., September 10, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 11, 1998

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

Assembly Bill No. 89
Assembly Bill No. 821
Assembly Bill No. 1264
Assembly Bill No. 1345
Assembly Bill No. 1384
Assembly Bill No. 1386
Assembly Bill No. 1738
Assembly Bill No. 1978
Assembly Bill No. 2004
Assembly Bill No. 2192
Assembly Bill No. 2197
Assembly Bill No. 2222
Assembly Bill No. 2237
Assembly Bill No. 2238
Assembly Bill No. 2510
Assembly Bill No. 2534
Assembly Bill No. 2565
Assembly Bill No. 2592
Assembly Bill No. 2621
Assembly Bill No. 2637

And reports the same correctly enrolled, and presented to the Governor at 10:45 a.m., September 11, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 11, 1998

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

Assembly Bill No. 278
Assembly Bill No. 462
Assembly Bill No. 561
Assembly Bill No. 954
Assembly Bill No. 1092
Assembly Bill No. 1166
Assembly Bill No. 1208
Assembly Bill No. 1339
Assembly Bill No. 1374
Assembly Bill No. 1629
Assembly Bill No. 1663
Assembly Bill No. 1845
Assembly Bill No. 1856
Assembly Bill No. 1916
Assembly Bill No. 1994
Assembly Bill No. 1999
Assembly Bill No. 2501
Assembly Bill No. 2560
Assembly Bill No. 2712
Assembly Bill No. 2790

And reports the same correctly enrolled, and presented to the Governor at 2 p.m., September 11, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 11, 1998

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

Assembly Bill No. 2796

And reports the same correctly enrolled, and presented to the Governor at 4:15 p.m., September 11, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 14, 1998

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

Assembly Bill No. 15
Assembly Bill No. 668
Assembly Bill No. 1290
Assembly Bill No. 1439
Assembly Bill No. 1596
Assembly Bill No. 1676
Assembly Bill No. 1712
Assembly Bill No. 1763
Assembly Bill No. 1820
Assembly Bill No. 1877
Assembly Bill No. 1885
Assembly Bill No. 1915
Assembly Bill No. 1942
Assembly Bill No. 1950
Assembly Bill No. 1995
Assembly Bill No. 2040
Assembly Bill No. 2406
Assembly Bill No. 2429
Assembly Bill No. 2595
Assembly Bill No. 2816

And reports the same correctly enrolled, and presented to the Governor at 9:30 a.m., September 14, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 14, 1998

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

Assembly Bill No. 117
Assembly Bill No. 310
Assembly Bill No. 822
Assembly Bill No. 1216
Assembly Bill No. 1381
Assembly Bill No. 1424
Assembly Bill No. 1654
Assembly Bill No. 1655
Assembly Bill No. 1716
Assembly Bill No. 1761
Assembly Bill No. 1889
Assembly Bill No. 1945
Assembly Bill No. 2003
Assembly Bill No. 2011
Assembly Bill No. 2019
Assembly Bill No. 2056
Assembly Bill No. 2150
Assembly Bill No. 2216
Assembly Bill No. 2572
Assembly Bill No. 2755

And reports the same correctly enrolled, and presented to the Governor at 9:30 a.m., September 14, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 14, 1998

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

Assembly Bill No. 146
Assembly Bill No. 188
Assembly Bill No. 194
Assembly Bill No. 205
Assembly Bill No. 818
Assembly Bill No. 992
Assembly Bill No. 1052
Assembly Bill No. 1182
Assembly Bill No. 1961
Assembly Bill No. 2048
Assembly Bill No. 2079
Assembly Bill No. 2088
Assembly Bill No. 2157
Assembly Bill No. 2229
Assembly Bill No. 2297
Assembly Bill No. 2403
Assembly Bill No. 2405
Assembly Bill No. 2454
Assembly Bill No. 2527
Assembly Bill No. 2751

And reports the same correctly enrolled, and presented to the Governor at 9:30 a.m., September 14, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 14, 1998

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

Assembly Bill No. 639
Assembly Bill No. 1737
Assembly Bill No. 1788
Assembly Bill No. 1875
Assembly Bill No. 1911
Assembly Bill No. 1986
Assembly Bill No. 2075
Assembly Bill No. 2084
Assembly Bill No. 2142
Assembly Bill No. 2196
Assembly Bill No. 2198
Assembly Bill No. 2207
Assembly Bill No. 2387
Assembly Bill No. 2461
Assembly Bill No. 2492
Assembly Bill No. 2494
Assembly Bill No. 2580
Assembly Bill No. 2630
Assembly Bill No. 2699
Assembly Bill No. 2730

And reports the same correctly enrolled, and presented to the Governor at 11:15 a.m., September 14, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 14, 1998

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

Assembly Bill No. 92
Assembly Bill No. 324
Assembly Bill No. 377
Assembly Bill No. 399
Assembly Bill No. 542
Assembly Bill No. 576
Assembly Bill No. 715
Assembly Bill No. 734
Assembly Bill No. 796
Assembly Bill No. 1078
Assembly Bill No. 1110
Assembly Bill No. 1671
Assembly Bill No. 1715
Assembly Bill No. 1803
Assembly Bill No. 1957
Assembly Bill No. 2217
Assembly Bill No. 2321
Assembly Bill No. 2398
Assembly Bill No. 2491
Assembly Bill No. 2782

And reports the same correctly enrolled, and presented to the Governor at 2:45 p.m., September 14, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 1998

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

Assembly Bill No. 378
Assembly Bill No. 426
Assembly Bill No. 574
Assembly Bill No. 836
Assembly Bill No. 860
Assembly Bill No. 1059
Assembly Bill No. 1291
Assembly Bill No. 1697
Assembly Bill No. 1745
Assembly Bill No. 1746
Assembly Bill No. 1784
Assembly Bill No. 1812
Assembly Bill No. 2305
Assembly Bill No. 2328
Assembly Bill No. 2351
Assembly Bill No. 2456
Assembly Bill No. 2505
Assembly Bill No. 2627
Assembly Bill No. 2732
Assembly Bill No. 2765

And reports the same correctly enrolled, and presented to the Governor at 9:30 a.m., September 15, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 1998

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

Assembly Bill No. 96
Assembly Bill No. 236
Assembly Bill No. 271
Assembly Bill No. 422
Assembly Bill No. 623
Assembly Bill No. 823
Assembly Bill No. 1332
Assembly Bill No. 1621
Assembly Bill No. 1791
Assembly Bill No. 1899
Assembly Bill No. 2025
Assembly Bill No. 2031
Assembly Bill No. 2086
Assembly Bill No. 2132
Assembly Bill No. 2154
Assembly Bill No. 2215
Assembly Bill No. 2316
Assembly Bill No. 2639
Assembly Bill No. 2687
Assembly Bill No. 2729

And reports the same correctly enrolled, and presented to the Governor at 2 p.m., September 15, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 1998

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

Assembly Bill No. 48
Assembly Bill No. 1100
Assembly Bill No. 1292
Assembly Bill No. 1469
Assembly Bill No. 1792
Assembly Bill No. 1935
Assembly Bill No. 2283
Assembly Bill No. 2339
Assembly Bill No. 2452
Assembly Bill No. 2788
Assembly Bill No. 2791

And reports the same correctly enrolled, and presented to the Governor at 2:30 p.m., September 15, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 15, 1998

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

Assembly Bill No. 762
Assembly Bill No. 1094
Assembly Bill No. 2744
Assembly Bill No. 2785
Assembly Bill No. 2794

And reports the same correctly enrolled, and presented to the Governor at 4:15 p.m., September 15, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 16, 1998

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

Assembly Concurrent Resolution No. 99
Assembly Concurrent Resolution No. 183
Assembly Concurrent Resolution No. 185
Assembly Concurrent Resolution No. 186
Assembly Concurrent Resolution No. 187
Assembly Concurrent Resolution No. 188
Assembly Concurrent Resolution No. 189
Assembly Concurrent Resolution No. 191
Assembly Concurrent Resolution No. 192
Assembly Joint Resolution No. 59

And reports the same correctly enrolled, and presented to the Secretary of State on the 16th day of September, 1998, at 9:30 a.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 16, 1998

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

Assembly Bill No. 468
Assembly Bill No. 2772

And reports the same correctly enrolled, and presented to the Governor at 10:15 a.m. September 16, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 16, 1998

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

Assembly Bill No. 830
Assembly Bill No. 1241

And reports the same correctly enrolled, and presented to the Governor at 2:30 p.m. September 16, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 16, 1998

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

Assembly Bill No. 105
Assembly Bill No. 2773

And reports the same correctly enrolled, and presented to the Governor at 3:30 p.m. September 16, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 16, 1998

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

Assembly Bill No. 2809

And reports the same correctly enrolled, and presented to the Governor at 4:15 p.m. September 16, 1998.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, September 17, 1998

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

Assembly Bill No. 1091

And reports the same correctly enrolled, and presented to the Governor at 3 p.m. September 17, 1998.

E. DOTSON WILSON, Chief Clerk

ASSEMBLY COMMITTEE INTERIM HEARINGS—FINAL RECESS

Tuesday, September 8, 1998

Joint Hearing: Senate Select Committee on Economic Development, Senate Select Committee on Procurement, Expenditures and Information Technology and Assembly Information Technology at 3 p.m.—Room 112

Subject: Y2K: DoIT's response to the State Auditor's report.

Wednesday, September 9, 1998

Joint Hearing Assembly and Senate Committees on Public Safety at 9 a.m.—Room 3191

Subject: Proposition 6—Prohibition on Slaughter of Horses and Sale of Horsemeat for Human Consumption.

Monday, September 14, 1998

Joint Legislative Audit Committee at 9:30 a.m. to 12:30 p.m.; Burbank City Council Chambers, 275 East Olive Avenue, Burbank

Subject: Adequacy of direct care staff: Serving adults with developmental disabilities.

Thursday, September 17, 1998

Joint Hearing: Assembly Education Committee and Senate Education Committee at 2 p.m. to 5 p.m.—Room 4203

Subject: Proposition 8: Public Schools; Permanent Class Size Reduction; Parent-Teacher Councils; Teacher Credentialing; Pupil Suspension for Drug Possession; Chief Inspector's Office; Initiative Statute.

Tuesday, September 22, 1998

Insurance Subcommittee on Insurance Reform at 9 a.m.–3 p.m.—Room 126

Subject: Worker's Compensation/Long Term Care.

Wednesday, September 23, 1998

Insurance Subcommittee on Insurance Reform at 10 a.m. to 2 p.m.—Room 126

Subject: Earthquake Insurance/CEA.

Friday, September 25, 1998

Insurance Subcommittee on Insurance Reform at 10 a.m. to 2 p.m.—Room 126

Subject: Proposition 213.

Monday, September 28, 1998

Joint Hearing: Assembly Governmental Organization, Assembly Elections, Reapportionment and Constitutional Amendments, and Senate Committee on Governmental Organization at 10 a.m. to 2 p.m.—Room 4202

Subject: Proposition 5—Tribal State Gaming Compacts. Tribal Casino's.

Joint Hearing: Assembly Utilities and Commerce Committee and Senate Energy, Utilities and Communications Committee at 10 a.m.—Room 112

Subject: Proposition 9: 'The Utility Rate Reduction and Reform Act.'

Tuesday, September 29, 1998

Public Safety at 9:30 a.m. to 2:30 p.m.; Council Chambers, Modesto City Hall, 801 Eleventh Street, Modesto

Subject: Impact of Methamphetamine in the Central Valley.

Joint Hearing: Assembly Human Services Committee and Senate Health and Human Services Committee at 9:30 to 12:30 p.m., Ronald Reagan State Building, Auditorium, 300 South Spring Street, Los Angeles.

Subject: Proposition 10. State and County Early Childhood Development Programs. Additional Tobacco Surtax.

Friday, October 2, 1998

Select Committee on Rural Economic Development at 8 a.m. to 1 p.m.; Bodega Bay Marine Lab, Lecture Hall, 2099 Westside Road, Bodega Bay

Subject: Economic Decline of the North Coast Fishing Industry: Strategy and Overview for the Future.

Monday, October 5, 1998

Select Committee on the Coastal Protection at 10 a.m. to 1 p.m.; Coast Guard Island, (specific facility to be announced), Alameda

Informational Hearing

Subject: Reducing the Introduction of Harmful Exotic Species Through Ballast Water.

Wednesday, October 7, 1998

Select Committee on the Compton Unified School District at 6 to 8 p.m.; Boardroom Chambers, Compton Unified School District, 604 South Tamarind Avenue, Compton

Subject: Implementation of AB 52.

Agriculture at 1:30 p.m. to 4:30 p.m.; Patterson City Council Chambers, 84 Salado Avenue, Patterson

Subject: Effects of the Food Quality Protection Act on The Central Valley.

Thursday, October 8, 1998

Joint Legislative Audit at 9:30 a.m.—Room 437

Audit Requests

City and County of San Francisco Municipal Railway—Senator Kopp;

California Department of Education's compliance with the Perkins Vocational and Applied Technology Act—Senator Rainey;

Medi-Cal Managed Care Two Plan Model (revised)—Wildman.

Friday, October 16, 1998

Transportation at 9:30 to 1:30 p.m.; Metropolitan Transportation Authority, Boardroom Auditorium, One Gateway Plaza, Los Angeles

Subject: Compliance with the federal consent decree for bus service and regional transit alternative analysis.

Wednesday, October 21, 1998

Joint Hearing: Assembly Health and Insurance Committees and Senate Insurance and Health and Human Services Committees at 9:30 a.m. to 1:30 p.m.; County Board of Supervisors Chambers, Los Angeles

Subject: Enrollment Issues: Healthy Families and Medi-Cal Programs.

MESSAGES FROM THE GOVERNOR

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. 227

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 227 without my signature.

This bill would require health plans to make capitation payments to contracting providers retroactive to the enrollee's enrollment date.

The timing of contractual payments is appropriately a matter of negotiation between the contracting parties, not the Legislature.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 790

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 790 without my signature.

This bill would require the Department of Health Services to review the adequacy of prenatal nutrition information available to physicians providing healthcare to pregnant women, and report its findings to the Legislature by January 1, 2000.

This bill is unnecessary. Physicians have the training and experience to review for themselves the adequacy of available prenatal information.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 795

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 795 without my signature.

This bill would require the Department of Social Services to apply for federal grant funds for child custody and visitation programs.

This bill is unnecessary because the Department already applies for these funds. The Department applied for and received a federal Access and Visitation Program grant of $1.1 million in both 1997–98 and 1998–99. These funds are used by the Judicial Council for mediation, education, counseling and visitation services, including supervising

visits between children and noncustodial parents and making neutral arrangements for visitation drop-offs and pick-ups.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1053

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1053 without my signature.

This bill would require health care service plans to provide coverage for all medically necessary pediatric vaccines and to augment a physician's capitation rate for any vaccines that are added to the Recommended Childhood Immunization Schedule. The bill would also prohibit a plan from including pediatric vaccines in the capitation rate of a physician who is individually capitated.

This bill is not about providing children with vaccines. Existing law already requires health care service plans to provide pediatric vaccines pursuant to the most current version of the Recommended Childhood Immunization Schedule/United States, jointly adopted by the American Academy of Pediatrics, the Advisory Committee on Immunization Practices, and the American Academy of Family Physicians.

This bill is really about how physicians are paid. These matters are best left to the contracting parties. This bill would also establish a precedent for excluding services and procedures from the capitation rate, resulting in increased health care costs.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1112

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1112 without my signature.

This bill would require health care service plans and disability insurers that provide coverage for outpatient prescription drug benefits to include coverage for a variety of federal Food and Drug Administration approved prescription contraceptive methods. Religious organizations that object to contraceptives for religious reasons would be exempt. However, employees of these exempt religious organizations with a family income up to 400 percent of the federal poverty level would be entitled to coverage through the California State-Only Family Planning Program.

Few can argue with the benefits of this bill; requiring health plans and disability insurers to provide coverage for contraceptives and including a religious exemption clause. However, it is inappropriate for taxpayers to pay for contraceptives for certain employees that earn up to 400 percent of the federal poverty level, or over $65,800 for a family of four. This bill would now be law but for the author's insistence that a state program designed for the working poor be used to provide benefits for those not in need of state assistance.

Having advocated contraception services for the poor for years, I am disappointed and frankly disgusted that a bill that could have so easily

served as a vehicle to provide such services was needlessly burdened with so inappropriate a requirement. This is the second time that the author has made such an unfortunate choice.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1298

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1298 without my signature.

This bill would prohibit a health care service plan, disability insurer, or a contracting provider from impeding or impairing communication or the right of free association or free speech among enrollees or insureds.

This bill is unnecessary. The United States Constitution and the California Constitution already guarantee the right of free speech and free association.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1680

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1680 without my signature.

This bill would require the Employment Development Department to provide an appeal form to unemployment insurance and disability insurance claimants who have been denied benefits.

This bill is unnecessary. I have already signed AB 2779 (Aroner), Chapter 329, Statutes of 1998, which requires the Department to include an appeal form with all Notices of Determination.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1726

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1726 without my signature.

This bill would state that it is the goal of the Legislature that Californians enrolled in health care service plans receive the best possible health care. The bill also sets forth the Legislature's intent to state principles to accomplish this purpose.

This bill is not a serious attempt at managed care reform. It does not change the law. It does not enact any new reforms. It merely states the Legislature's ''goal'' and ''intent'' to ensure that Californians receive the best possible health care. In fact, the ''principles'' enumerated in the bill are merely restatements of existing law. This bill presents the false hope of reform without helping a single person.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2171

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2171 without my signature.

This bill would expand the Healthy Families Program to legal immigrants not eligible for federally funded benefits.

The Healthy Families Program is a federally funded benefit. Thus, this bill would create a state-only funded program. In addition, it is premature to expand this new program until after completion of the startup of the program as originally enacted.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2516

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2516 without my signature.

This bill would require the Department of Health Services to submit to the Legislature an annual report reviewing Medi-Cal reimbursement rates for physicians and dentists. A similar requirement for an annual report was repealed in 1992.

This bill is unnecessary. The Legislature can request this information from the Department through the annual budget process. In fact, the 1998 Budget Act includes rate increases for various Medi-Cal providers.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2705

Governor's Office, Sacramento
September 11, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2705 without my signature.

This bill would establish minimum qualifications for the State Long-Term Care Ombudsman.

This bill imposes overly restrictive requirements on the appointments process. The executive branch should have the flexibility to appoint the best person for a particular job, and be accountable for that appointment, without restrictive statutory requirements.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 11th day of September 1998, at 5:17 p.m., of Assembly Bills Nos. 227, 790, 795, 1053, 1112, 1298, 1680, 1726, 2171, 2516, and 2705, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Assembly Chief Clerk

Veto Message—Assembly Bill No. 88

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 88 without my signature.

This bill would authorize school districts, community college districts and county superintendents of schools to elect a new early retirement option for employees who are members of the State Teachers' Retirement Systems (STRS).

This bill would permit retirement at or over age 55, without an allowance reduction, if the total of the member's age and credited service is a least 85 (Rule of 85).

This bill is similar to Assembly Bill 276 (Filante, 1991), and Assembly Bill 449 (Horcher, 1993), which were both vetoed. The reasons for those vetoes have not changed. This measure does not include fiscal safeguards to determine if the program is truly cost neutral, nor does it set a time limit for district financing of the enhanced benefits.

More importantly, by creating an incentive for teachers to retire, this bill is contrary to current efforts to retain qualified teachers to implement the Class Size Reduction Program. Further, the funding of the ''Rule of 85'' would come from existing Proposition 98 allocations, which could be better spent in the classroom.

Lastly, I continue to question the need for yet another early retirement option for STRS members. Many options currently exist such as the standard early retirement, the ''30 and out,'' the limited term reduction, the two year golden handshake, and other early retirement incentives.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2156

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2156 without my signature.

This bill would, among other provisions, extend the statutory time period for filing administrative complaints regarding Labor Code violations from thirty days to one year.

This bill is unnecessary. Current law provides that individuals who believe they have been discharged from employment or discriminated against in violation of any provision of the Labor Code may file a complaint with the Labor Commissioner within thirty days after the occurrence of the violation. However, that thirty-day period may be extended for good cause. Moreover, the complaintant has the option of filing a civil action and pursuing the matter through the courts. There is no requirement to file a complaint with the Labor Commissioner *before* initiating civil action.

Extending the complaint period could encourage the filing of frivolous complaints which nevertheless would require time consuming, difficult and costly investigations. The current statutory time frame is intended to make employees whole through reinstatement

or reimbursement as quickly as possible. This process has provided a fair, efficient, and effective remedy to complaints of Labor Code violations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2163

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2163 without my signature.

This bill would authorize the award of attorney fees against any employer if payment of workers' compensation benefits is unreasonably delayed or refused subsequent to the issuance of an award.

Current law provides that employees injured in the course of employment may be entitled to various workers' compensation benefits depending on the nature and severity of the injury. When payment of these benefits has been unreasonably delayed or refused, the Workers' Compensation Appeals Board is authorized to increase the award by 10 percent. This ''penalty'' has been determined by the courts to apply to the entire award rather than the unpaid portion. Consequently, significant penalties may be assessed for small amounts left unpaid or delayed.

Moreover, the Division of Worker's Compensation is required to audit carriers, self-insured employers and third party administrators and to impose penalties against them for failure to pay any undisputed portion of a claim or to comply with a penalty assessment.

The existing penalty structure for delayed workers' compensation payments has been criticized for being too harsh in some cases, but too lenient in others. The Commission on Health, Safety and Workers' Compensation is currently studying the audit function and is expected to issue recommendations for a more rational penalty structure this fall. It would be premature to simply add attorneys fees to the existing penalty structure for some cases at this time.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2199

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2199 without my signature.

This bill would make a minor change to law relating to conservation education.

Current law requires the State Department of Education to encourage the development of educational opportunities relating to the conservation, interpretation, and use of natural resources in the State of California and including, among other things, the development of education curriculum on factors affecting environmental quality. This bill states that factors affecting environmental quality include ''environmental hazards.''

This bill makes a change in law that is unnecessary and misleading. Clearly, environmental hazards are one of many factors which affect

environmental quality. Adding this language will only send a signal that additional amendments are needed to list other possible factors.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2295

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2295 without my signature.

This bill would permit specified individuals who retire from state service prior to January 1, 1999, and who are eligible to enroll in a health benefits plan sponsored by the California Public Employees' Retirement System (CalPERS), at the time of retirement, to enroll in that plan during a 60-day open enrollment period in 1999.

Current law requires a state employee to be enrolled in a CalPERS sponsored health plan at the time of separation from employment and to retire within 120 days of separation in order to continue coverage into retirement. This bill would allow individuals who elected not to enroll in a health benefits plan prior to separation and retirement from state service, to enroll themselves and eligible family members during a specified open enrollment period.

This measure could result in significant general fund costs to pay health benefit premiums for additional annuitants, dependents and survivors who previously forfeited those benefits. Since this group of retired employees and their survivors would be eligible to enroll during an open period, no health exam would be required. Moreover, since the bill provides that the annuitant shall be eligible for the ''applicable employer contribution'' without defining that amount, it is conceivable that the annuitant and his/her survivors would receive more post-retirement health benefits than the employee who elected to continue health benefit coverage prior to separation from employment.

I understand from the author of this measure that CalPERS may not have adequately informed some state employees that failure to elect coverage prior to retirement would be irrevocable. CalPERS is considering administrative remedies on behalf of those members. That appears to be the appropriate solution.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2365

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2365 without my signature.

This bill would authorize agencies that contract with the Public Employees' Retirement System (PERS), to provide an enhanced benefit level for their members under the ''1959 survivor'' benefit program. This new benefit level would include an automatic annual cost-of-living adjustment (COLA).

This bill is similar to Senate Bill 1229 (McCorquodale), which was vetoed in 1992. In that veto message I stated that I strongly support frequent review by public employers of the adequacy of the survivor

benefits they pay. Although it is somewhat more complex administratively, it is more fiscally responsible to authorize additional benefits periodically rather than enact a benefit which includes an automatic COLA.

The following year, I signed Senate Bill 887 (Hughes, 1993), which was consistent with the veto message. That bill enacted a new benefit level without the automatic COLA, thus balancing the benefit increases against the public entity's ability to pay them.

Although the cost of supporting the ''1959 survivor'' benefit program is relatively small and despite the present existence of an accumulated surplus of employee assets, this bill contains indexation and automatic escalators which would eliminate the flexibility a contracting agency currently enjoys when it determines its budget. That flexibility is not only prudent, but a necessary part of a practical budget process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2603

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2603 without my signature.

This bill would, among other provisions, create the Local Government Labor Relations Improvement Act of 1998, and would require that any complaint that alleges a violation of the Meyers-Milias-Brown Act or of any rule or regulation which has been adopted by a public agency, be processed as an unfair practice charge by the state Public Employment Relations Board (PERB).

Under current law, the Meyers-Milias-Brown Act allows public agencies to develop rules, regulations and procedures governing collective bargaining and resolution of disputes between employers and recognized bargaining representatives in each jurisdiction. This Act is unique among the state's collective bargaining laws because it permits each local public employer to develop its own rules and regulations governing employment relations.

Local governmental labor relations disputes are more appropriately resolved at the local level. Transferring authority for resolution of these disputes to the state will cause delay and disruption to labor-management relations and will unfairly restrict local officials in their ability to respond to the particular needs of their community.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2768

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2768 without my signature.

This bill would require that the four members of the State Teachers' Retirement System Board (STRS), representing active and retired

teachers, be elected from their respective constituencies rather than appointed by the Governor.

This bill is virtually identical to AB 885 (Honda), which was vetoed in 1997, and SB 277 (Hughes), which was vetoed in 1994. The reasons supporting those vetoes have not changed. There is no need to substitute for the current appointments process a cumbersome election process costing the Teachers' Retirement Fund over $150,000 a year.

Proposition 162 established in the state constitution the responsibilities and priorities for STRS Board members. As such, Board members are responsible for representing the interests of the entire system, not just those of individual constituencies. Conducting elections to name parochial representatives would undermine this principle.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 697

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 697 without my signature.

This bill would require the Economic Research and Strategic Planning Unit within the Trade and Commerce Agency to develop by July 1, 1999, quantifiable benchmarks, goals, and objectives to determine the success and effectiveness of each of the Agency's programs. The Agency is to develop these items in coordination with the Legislature, the Department of Finance, the State Auditor, the Legislative Analyst, and the customers and users of the Agency's programs—within existing resources.

In compliance with existing law, the Trade and Commerce Agency has already prepared a strategic plan and updates it annually. In its strategic planning process, the Agency systematically evaluates its evolving nature with respect to California's global, fast-moving economy. It defines its long-term objectives, identifies quantifiable benchmarks and goals, develops strategies to reach those objectives and goals, and requests appropriate budgetary modifications to carry out those strategies.

This bill creates a duplicative and unnecessary statutory obligation.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1941

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1941 without my signature.

This bill would require sex education course materials and instruction to be medically accurate, and prohibit racial, ethnic, and gender bias in the course materials and instruction. The bill would define medically accurate as supported by research, recognized as accurate and objective by leading medical, psychological, psychiatric and public health organizations and agencies.

This bill is largely duplicative of current law. Current law requires all instructional materials to be accurate, objective and current. Current law

also provides protections against racial, ethnic and gender bias.

To the extent some school districts are providing inaccurate information or biased instruction in violation of state law, actions other than enactment of additional state legislation should be pursued to remedy the problem.

Moreover, the definition of ''medically accurate'' is so broad and vague that it may create more problems than it solves. No criteria are provided to determine who or what are ''leading medical, psychological, psychiatric, and public health organizations and agencies.'' But to such unknown entities is entrusted the role of determining the adequacy of instructional programs, and therefore the power to find them inadequate. Such findings could provide the basis for lawsuits which put districts to the expense of seeking to satisfy a standard which this bill does not precisely define.

Great care—and therefore much greater specificity—should be taken in conferring such power.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2272

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2272 without my signature.

This bill would require the Southern California Association of Governments (SCAG), in consultation with the San Bernardino Association of Governments (SANBAG), to review existing studies and make recommendations in a report to the Legislature on the feasibility of developing a distribution center in the Inland Empire in order to supplement existing distribution centers operating within the Alameda Corridor Project.

This bill is virtually identical to ACR 85 (Resolution Chapter 60, Statutes of 1996). The review and recommendations requested by that measure were completed by Caltrans and delivered to the Legislature earlier this year.

This bill would mandate the same review and recommendations from SCAG. However, another regional agency, the SANBAG, has already contracted with a private consultant to do a much more comprehensive study of intermodal goods movement by rail and road through the Inland Empire region.

I recognize the fact that this bill now suggests additional study of infrastructure and access improvements to the Interstate 10 corridor between Interstate 15 and 215. Those improvements are indeed necessary, and many are already programmed in the State Transportation Improvement Program to be completed in the next five years.

Further, the decision as to the feasibility or need of a private distribution center is a question better left to the private entities who would be investing the capital to construct an Inland Empire distribution center.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2425

Governor's Office, Sacramento
September 13, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2425 without my signature.

This bill would require that one of the members of the Board of Governors (BOG) of the California Community Colleges be a classified employee who would be appointed by the Governor from a list of at least three persons furnished by the exclusive representatives of the classified employees of the community colleges.

This bill is nearly identical to AB 1753, which I vetoed in 1993. As I noted then, the Community College Reform Act of 1988 created the existing composition of the Board of Governors after extensive deliberations involving all participants in the community college community. I continue to see no reason to change the appointment structure.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 14th day of September 1998, at 3:06 p.m., of Assembly Bills Nos. 88, 2156, 2163, 2199, 2295, 2365, 2603, 2768, 697, 1941, 2272, and 2425, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

E. DOTSON WILSON
Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 1551

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1551 without my signature.

This bill would provide that an employee is eligible for unemployment insurance (UI) benefits if he or she is unable to work as a result of a federally declared disaster. The bill would also provide that an employee is eligible for UI benefits if he or she quits employment because of frequent or repeated requests to work more than eight hours per day, the inability to obtain child care, or to protect themselves or their children from domestic violence.

This bill is unnecessary. Existing regulations already provide that employees are eligible for UI benefits in these circumstances. In addition, I have just signed SB 165 (Solis), Chapter 411 statutes of 1998, which provides that employees who quit employment to protect themselves or their children from domestic violence are eligible for UI benefits.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 17th day of September 1998, at 4:23 p.m., of Assembly Bill No. 1551, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

HUGH R. SLAYDEN
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 93

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 93 without my signature.

This bill would prohibit agencies from taking any action that would eliminate public access to the coast except to ensure public safety or to protect wildlife and habitat. This bill would also increase the annual cap on state reimbursements for attorney fees to public and private property owners who successfully defend lawsuits to prevent public access on their property, and would shift the costs of Attorney General representation of the State Coastal Conservancy from special funds to the General Fund.

Preserving coastal access is a laudable goal, and existing law contains a number of provisions that ensure the greatest overall access to California's coast is achieved without disregarding other uses that may be of greater public benefit. However, the inflexibility inherent in this bill would limit opportunities for the State to trade property to meet any number of needs, including expanded access.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 509

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 509 without my signature.

This bill would require the Department of Health Services to conduct a study, and report to the Legislature, on the steps necessary to implement an electronic benefits transfer (EBT) system for the California Special Supplemental Food Program for Women, Infants, and Children (WIC). In addition, the Department would be authorized to design an EBT system, but would not be authorized to implement it until funding is provided by the annual Budget Act.

This bill is unnecessary. The 1998–99 Budget Act already includes funding and the Department is conducting the study required in this bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2421

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2421 without my signature.

This bill would expand the definition of nonprofit organization to include general or limited partnerships, thus exempting these entities from the federal requirement to determine an applicant's citizenship or immigration status when determining eligibility for housing assistance.

This bill would circumvent the intent of federal law, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, that taxpayer funded housing benefit legal residents.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2620

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2620 without my signature.

This bill would require the State Department of Education (SDE) to conduct a survey of state preschool and child care programs in California that serve limited-English speaking and non-English speaking children to determine the methods that best prepare pupils to master English as rapidly as possible in elementary school.

Small children typically learn the language they hear spoken. Children whose primary language is not English will most rapidly and easily learn English by programs consciously seeking to give them maximum exposure to English. This bill requires a survey rather than a program, but impliedly endorses an approach that will continue dependency on a child's primary language. This hardly seems the best preparation for the instruction beginning in kindergarten which is mandated by Proposition 227.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2733

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2733 without my signature.

This bill would regulate bail fugitive recovery persons.

This bill is premature. Federal legislation is pending which would supersede the provisions of this bill.

Even without federal preemption, it is questionable whether a few isolated though sensational instances of abuse by fugitive hunters warrant either a new regulatory apparatus (which was sought by the bill as introduced), or even a new enforcement priority for overburdened prosecutors. Abuse rising to a misdemeanor level of gravity will in most instances be chargeable as a violation of existing law.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 497

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 497 without my signature.

This bill would require every health care service plan to establish and maintain a documented system for ensuring that the plan and its contracting providers provide timely access for enrollees to a plan representative by telephone, and to urgent, nonurgent, and referral appointments.

This bill is unnecessary. Existing law already requires plans to make all services readily available and accessible at reasonable times. In addition, existing regulations already require plans to have a documented system for monitoring and evaluating accessibility of care, including a system that addresses waiting time and appointment problems.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1992

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1992 without my signature.

This bill would require any school district applying for state building funds to include specifications for a hard-wired or wireless connection to a public switched network in new classrooms or portable classrooms.

This bill is very similar to AB 2371, which I vetoed in 1996, and AB 676 which I vetoed in 1997. While this bill addresses concerns noted in both veto messages, I still believe that the decision to provide a phone in each classroom is one that belongs at the local level. I recently signed SB 50 which affords districts broad discretion over the expenditure of school building funds. Under SB 50, districts would be specifically authorized, but not required, to use funds to provide a phone in every classroom.

In addition, this bill would apply to building projects approved for the State School Building Lease Purchase Program. However, under the provisions of SB 50, school building projects would no longer be approved pursuant to that program. Therefore, if the November school bond passes, this bill would be virtually obsolete before it would become operative.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2224

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2224 without my signature.

This bill would allow small school districts to be eligible for class size reduction (CSR) funding if the average class size is no more than 20 for

all participating classes in the district. This bill further states that the number of pupils in any class included in the average may not exceed 22.

I recognize that districts do not have control over their enrollment and that this unpredictability may be compounded in small districts. However, by allowing class sizes to be averaged over the district, this bill would erode the integrity of the goal of class sizes of no more than 20 pupils. Class size reduction funding should be limited to those who actually achieve smaller class sizes. The CSR program already provides flexibility for classes to compensate for changing enrollment during the school year. The requirement for 20 pupils per class is based on the average size for each class over the entire school year. I believe that the current law provides sufficient flexibility, even to small districts, to accommodate variable enrollment and ensure the goal of the program is met.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2233

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2233 without my signature.

This bill would establish complex guidelines to progressively restrict issuance of teacher credential waivers over a five-year period. It does allow, however, waivers if the Commission on Teacher Credentialing verifies that school districts have attempted to hire credentialed teachers but were unable to do so.

While the goal of ensuring that California teachers are qualified has merit, the bill is overly prescriptive and would establish confusing criteria for issuance of credential waivers. This could lead to inconsistent administration of waivers in California's 8,000 public schools, and some schools may delay filling teaching positions if they believe they can no longer obtain waivers.

In addition, the need for the bill is unclear, since schools do not appear to be overusing waivers. The Commission on Teacher Credentialing reports that only 1.5 percent of the total number of teachers are serving under waivers.

Finally, the Commission on Teacher Credentialing already reviews waiver applications to ensure that schools have attempted to recruit credentialed teachers and that the schools have selected the most qualified persons available.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2690

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2690 without my signature.

This bill would require Medi-Cal managed care plans to disenroll persons eligible for the Genetically Handicapped Persons Program (GHPP) and refer them to the GHPP, if requested by the enrollee.

This bill is unnecessary. This year I signed AB 1181 (Escutia), Chapter 31, Statutes of 1998, which requires Medi-Cal managed care plans to refer enrollees with specialized medical conditions, including GHPP eligible patients, to a specialist or specialty care center for the purpose of having the specialist coordinate the enrollee's health care. In addition, procedures exist for referring an enrollee to the GHPP if the Medi-Cal managed care plan does not contract with an appropriate specialist.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 18th day of September 1998, at 4:43 p.m., of Assembly Bills Nos. 93, 509, 2421, 2620, 2733, 497, 1992, 2224, 2233, and 2690, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

E. DOTSON WILSON
Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 1024

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1024 without my signature.

This bill would require the Commission on Teacher Credentialing to adopt regulations establishing new standards for theater and dance teachers within existing single subject teaching credentials.

Appreciation of the arts is an important part of every child's education, and should be encouraged. But this bill imposes a needless and unrealistic burden upon the holders of most single subject credentials that is wholly unrelated to their chosen discipline. A far more relevant and appropriate approach to achieving the same result was that taken by Senate Concurrent Resolution 31 of 1994.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1121

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1121 without my signature.

This bill would allow Regional Occupational Centers/Programs (ROC/Ps) located in the Counties of San Diego, Orange, and Fresno to use up to five percent of their block entitlement for alternative systems for funding and delivering ROC/P instruction.

This bill does not specify a methodology to ensure that the proposed alternative instructional delivery attendance accounting method equates to average daily attendance and may result in a fiscal incentive for districts to serve a lower number of students.

Further, the bill may result in a diversion of existing ROC/P resources to serve adults, when existing law requires that priority in providing services be given to youth between the ages of 16 and 18 years. Finally,

although the bill requires the establishment of accountability measures, the bill does not require these measures be implemented and it is silent regarding the entity responsible for the development and implementation of such measures.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2557

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2557 without my signature.

This bill would provide that unaccredited law schools may comply with current requirements for libraries by providing reasonable access to specified types of law books and treatises and provides that the law schools may comply with this requirement via access to electronic means, such as providing access to personal computer for on-line, Internet and CD-ROM research services.

California Rule of Court 957 establishes minimal requirements for law schools not accredited by the California Committee of Bar Examiners. This rule was promulgated by the Supreme Court. The establishment of standards for unaccredited law schools is currently a power of the Supreme Court. It is not appropriate for the Legislature to attempt to second guess the Supreme Court on what are and are not appropriate standards for unaccredited law schools. The Supreme Court has the authority to amend Rule of Court 957 and can consider whether the changes proposed in this bill are appropriate.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2565

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2565 without my signature.

This bill would authorize the Department of Personnel Administration (DPA), when determining compensation for communications operators in the California Highway Patrol, to consider the total compensation for communications operators in comparable positions in specified cities and counties.

This bill is unnecessary. The Ralph C. Dills Act requires that changes in compensation for salaries and benefits for represented state civil service employees be collectively bargained between representatives of the state and the union. This bill would circumvent that process by dictating a statutory formula.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2643

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2643 without my signature.

This bill would allow the State Allocation Board to use lease revenues from relocatable classrooms for deferred maintenance. Additionally, it creates a new set aside within the deferred maintenance program to assist districts that have a disproportionate number of facilities over thirty years or for districts who will use the funds to increase the health and safety on school campuses.

The redirection of lease revenues is not necessary given the recent augmentation to the deferred maintenance fund of over $100 million contained in the 1998 budget. These funds are better spent to purchase more relocatable classrooms.

At a time when we are trying to simplify the existing State School Building Lease Purchase Program, I also am concerned with the establishment of a new ''set aside'' for districts with a large number of older facilities. The state program already contains provisions for districts in critical hardship situations. The existing State School Building Lease Purchase Program provides modernization funding for facilities over thirty years and if the electorate passes the Public Education Facilities Bond Act of 1998, that program would extend to school facilities over 25 years old.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2651

Governor's Office, Sacramento
September 18, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2651 without my signature.

This bill would, among other provisions, require the Department of Industrial Relations (DIR), to implement a system that provides for the electronic filing of a material data safety sheet (MSDS).

Current law (Labor Code Section 6394), requires manufacturers of specified hazardous substances to provide a MSDS to DIR. Existing law (Labor Code Section 6390), also requires these manufacturers to provide the MSDS directly to the purchaser of the hazardous substance.

I am not convinced that requiring manufacturers to send a MSDS to DIR continues to be necessary. In 1996, I issued Executive Order W-131-96, which required all state agencies to review mandates and regulations in an effort to streamline state government and to assure that all laws and regulations are necessary and effective. To that end, DIR determined that requiring manufacturers of specific hazardous substances to provide a MSDS to DIR served no purpose in furthering occupational safety and health protections, yet cost manufacturers and the state significant moneys to submit, handle and store these documents. Accordingly, DIR sponsored legislation to eliminate this requirement in 1995 and 1997.

Since the law already requires a manufacturer to send a MSDS directly to an employer/purchaser of the hazardous substance, and

considering that this data is easily accessible over the Internet, the expansion envisioned by this bill is unnecessary.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 236

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 236 without my signature.

This bill would provide that an employee that does not proficiently speak or understand the English language shall be entitled to the services of a qualified interpreter during the course of medical treatment for worker's compensation.

Section 4600 of the Labor Code provides that an injured worker that does not proficiently speak or understand the English language shall be entitled to the services of a qualified interpreter when physicians are performing medical-legal evaluations to determine eligibility for worker's compensation benefits.

This measure will extend interpreter services during the course of medical treatment. Although the bill addresses what may be a real issue in some cases, it does so in a manner that may recreate problems seen in the past with excessive, inappropriate billings from medical clinics which used their own employees for this purpose. It would be more appropriate to permit payment of an outside interpreter where necessary, so that the entity requesting the service does not profit from providing it.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 810

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 810 without my signature.

This bill would require the Employment Development Department to convene a 10 member task force of equal representatives of small businesses and organized labor to make recommendations to simplify the law regarding the status of workers as employees or independent contractors.

This bill is unnecessary. The Department has already established the Small Business Employer Advisory Committee to make recommendations to simplify how worker status is determined.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1169

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1169 without my signature.

This bill would require the Resources Agency and member agencies within it, to post on their Internet websites, any documents ''disseminate[d] to the public'' or ''available in print to the public,'' and to maintain on that website meeting agenda and summary reports of meetings for one year.

Ambiguously drafted, this bill would appear to result in an obligation to place on the Internet virtually any document accessible to the public under the Public Records Act. Thus, any constituent correspondence sent to a member of the public and any internal memorandum, including inter-office memos, not exempt from disclosure under the Public Records Act would appear to have to be posted on the Internet. Each time a document is created, legal staff would have to spend time determining whether the document is subject to disclosure under the Public Records Act and other staff would have to post it on the Internet. Most of these documents would be of very little interest or value to the general public.

There is no justification for the human or computer resources that would be necessary to implement this bill. Each of the specific documents identified in this bill are readily available to the public. Those items not already available on the Agency's website can be obtained within ten days upon request under the Public Records Act, with the strong exception of Agency and departmental bill analyses submitted to the Governor. Under current law, those documents are exempt from disclosure under the Public Records Act and specifying such documents in the bill without amending the Public Records Act would unfairly mislead the public into assuming those documents are also accessible. In sum, this bill would consume considerable taxpayer funds to post on the Internet, vast numbers of documents of little interest to the public and already available under the Public Records Act.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1832

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1832 without my signature.

This bill would require the Managed Risk Medical Insurance Board to establish a Healthy Families Program local education agency (LEA) billing program.

This bill would not result in additional children receiving health insurance. LEAs already provide children with health services. This bill would only provide the LEA with an additional revenue source for these services.

This bill is also inconsistent with the Healthy Families Program goal of providing children coordinated full service care from a managed health care plan. An LEA billing option is also unlikely to receive federal approval because of duplicate payments to the Healthy Families

Program and the LEA. The bill may also result in increased General Fund costs because of duplicate payments to the Healthy Families Program and the LEA.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1882

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1882 without my signature.

This bill would require the California Highway Patrol to study the safety record of motor carriers operating at the Ports of Long Beach and Los Angeles.

While truck safety in and around California's ports is important, this bill inappropriately mandates a state report based on informal, unconfirmed reports of safety violations. The ports of Long Beach and Los Angeles are better positioned to work in conjunction with state and local law enforcement and safety experts to determine the necessary steps to be taken to increase the safety of all motor carriers operating in and around their boundaries.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1925

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1925 without my signature.

This bill would require the State Department of Education (SDE) to establish two pilot projects for the purpose of developing alternative attendance accounting methods for Adult Education and Regional Occupational Centers and Programs (ROC/P).

There is no clear evidence that attendance accounting for Adult Education and ROC/P is overly burdensome. The nature of these programs is significantly different from regular K–12 education programs because pupil participation does not occur in full-day increments. Therefore, the more precise attendance accounting methods required by existing law are appropriate for these programs.

I also believe that this bill is unnecessary. Providers may already establish parallel attendance accounting methods as long as they continue to meet the existing legal requirements. If providers can document a more effective way to accurately account for pupil attendance, revisions to the current law could be considered at that time.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2053

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2053 without my signature.

This bill would declare that the Department of Parks and Recreation should fund half of the costs of a project to replace the safety railing at Blufftop Park, a state-owned, locally operated park unit in Huntington Beach, when developing a spending program for deferred park maintenance at state parks.

In 1987, the City of Huntington Beach entered into a contract with the Department of Parks and Recreation to operate a portion of the Bolsa Chica State Beach. In exchange for receiving all revenue from the property, the City expressly agreed to take responsibility for all costs associated with developing, maintaining, and operating the property until the year 2006. In fact, the State has entered into such agreements with 25 other communities.

The existing operating agreement allows the City of Huntington Beach to apply to the State for facility improvements. Should the City choose to submit such a grant request, the Department would review and evaluate it against all other competing programs in terms of statewide significance and funding availability. Circumvention of this process is simply not warranted, and would be unfair to the other cities with whom the State has contracted.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2564

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2564 without my signature.

This bill would limit the price that a government agency may charge to a school district for property that will be used for outdoor recreational purposes to attempt equity with laws governing the sale of school district property to another governmental entity. Under current law, schools are required to offer to sell surplus property to another public agency at a deep discount, usually resulting in a sales price of roughly 25 percent of market value.

This bill is very similar to SB 1689, which I vetoed in 1996. The concerns noted at that time are still valid. While the bill may result in a more equitable treatment between public entities in the sale and purchase of surplus land, the whole approach is in the wrong direction. We should be enacting laws that encourage public agencies, including school districts, to get rid of surplus property at a fair market value, rather than acquiring property from each other at fire sale prices.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 21st day of September 1998, at 1:35 p.m., of Assembly Bills Nos. 1024, 1121, 2557, 2565, 2643, 2651, 236, 810, 1169, 1832, 1882, 1925, 2053, and 2564, 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

Veto Message—Assembly Bill No. 1345

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1345 without my signature.

This bill would require the Department of Information Technology (DOIT) to compile a list of contractors who fail to respond to state agency requests for Year 2000 Problem compliance information on a monthly basis until April 1, 2000, and periodically thereafter at DOIT's discretion. The bill would require the Department of General Services (DGS) to determine the eligibility of any contractor on the list maintained by DOIT for purposes of determining whether they meet the requirements of a responsible bidder under the State Contract Act.

This bill is unnecessary. Pursuant to Executive Order W-163-97, state departments and agencies require standardized Year 2000 Problem compliance provisions in all applicable contracts with state contractors. The bill would add cumbersome administrative procedures that would not provide meaningful Year 2000 Problem compliance.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2116

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2116 without my signature.

This bill would add two new selection criteria to the existing School Violence Reduction program: 1) the demonstrated need for a program due to increased or high incidents of school crime reported through the California Safe Schools Assessment (CSSA); and 2) a high percentage of pupils in the school or school district who qualify for free or reduced price meals or whose families receive aid pursuant to the Cal Works program.

In 1996, I signed AB 3492 (Chapter 200, Statutes 1996), establishing the current School Violence Reduction Grant Program and ten criteria selecting schools and school districts to receive grant funds. These ten selection criteria, in general, require applicants to demonstrate a need for the program and a capacity to administer an effective one.

The first of the two proposed criteria duplicates the existing requirement that an applicant demonstrate that conflict or violence is a substantial and continuing problem for pupils and staff. The other proposed criterion is that the applicant has a high percentage of pupils who qualify for free and reduced price meals or whose families receive aid through the CalWORKS program. While school violence is

disproportionately prevalent in schools with high poverty, this is not always the case. Drugs and violence invade too many schools in too many communities. Middle class neighborhoods are not immune nor are less affluent areas inevitably condemned to high crime. The addition of this criterion would create a significant potential for an inequitable selection process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2157

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2157 without my signature.

This bill would provide that, where a successive or concurrent insurer, as defined, settles with its insured as a partial settlement of the claims made against the insured in a pollution claim, as defined, the insurer or its insured may apply for a court order determining that the partial settlement is a good faith and reasonable approximation of the insurer's liability, as specified.

This bill was intended to promote the quick and fair resolution of environmental claims with multiple insurers. Unfortunately, it ignores the fundamental problem that exists in all multiparty environmental litigation disputes: fair allocation of costs for clean-up of toxic sites. Under the scheme in AB 2157, an insured would suffer even more delays in resolving environmental claims because of the extra layer of litigation that is generated by this bill.

AB 2157 contemplates a procedure where a settling insurer will notify all other involved insurers and attempt to prove before the court why its settlement was in 'good faith' and should extinguish all its liability on the claim to both the insured and the other insurers. Non-settling insurers could challenge the settlement as to its fairness. However, rather than providing a simplified or expedited method to resolve these issues, the bill would simply move the coverage litigation from its separate forum to this hearing. AB 2157's procedures would create a series of lengthy and complex mini-trials within a main trial each time an insurer seeks to settle. These mini-trials would have at issue, and at risk, the same issues in a separate coverage case, and would often involve extensive discovery and motion practice, often involving millions of dollars, and take years to resolve.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2636

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2636 without my signature.

This bill would require the State Allocation Board to establish pilot projects to demonstrate new approaches to cost containment for the construction and modernization of school facilities.

I just signed SB 50, which includes a $9.2 billion school bond for the November ballot and creates a new program for state assistance for

school facilities. The new program significantly streamlines the state school building process and introduces significant cost saving incentives for local school building projects. Under the new facilities program, districts would have greater control and discretion over the use of state assistance for facilities and would benefit from any savings generated by facilities projects.

I continue to support greater flexibility and responsibility at the local level for school construction projects and cost containment. This bill would introduce further complexities into the state school building program at a time when we are seeking to simplify the process. Because SB 50 will encourage cost savings for all school building projects, the concept of a state operated pilot for this purpose is both unnecessary and obsolete.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2712

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2712 without my signature.

This bill would require the State Department of Education to collect information from all school districts regarding the amount and types of first aid books, first aid kits, and search and rescue kits currently available in all public schools.

There is no statewide benefit to tallying the number of first aid kits in the public schools. Certainly there are none that justify burdening schools with a new reporting requirement. This bill would involve the State in a matter that can and should be addressed at the local level.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 24th day of September 1998, at 3:42 p.m., of Assembly Bills Nos. 1345, 2116, 2157, 2636, and 2712, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 1686

Governor's Office, Sacramento
September 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1686 without my signature.

This bill would require funding and completion of remaining retrofit soundwalls from the 1989 Retrofit Soundwall Priority List.

This bill would impose on the state costs to construct retrofit soundwalls that should be borne by local and regional entities. In signing SB 45 by Senator Kopp (I-San Francisco) last year, I intended that construction of retrofit soundwalls be a regional decision and not a mandate upon state transportation resources. As well intentioned as

AB 1686 may be, the bill benefits primarily one county, Los Angeles County, at the expense of transportation funding for other urban counties in Southern and Northern California.

Further, this bill was amended late in the legislative process to require that the state funding would count towards the 60-40 North/South funding formula, rather than being taken ''off the top.'' This late amendment unfairly results in a financial benefit to northern California at the expense of southern California.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2280

Governor's Office, Sacramento
September 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2280 without my signature.

This bill would require property owners who enter into construction contracts for more than $1 million to provide the general contractor financial security for the project. The security must be in the form of a surety bond equal to 50 percent of the contract, a letter of credit for 15 percent of the contract or a cash deposit of 3 months worth of payments under the contract. The bill would also require property owners to provide the general contractor with a copy of the construction mortgage or deed of trust certified by the county recorder.

Contract matters such as payment terms and the use of security instruments are best left to the contracting parties. General contractors are free to negotiate terms that are similar to the provisions of this bill. Similarly, property owners should be able to negotiate these issues without legislative interference.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2383

Governor's Office, Sacramento
September 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2383 without my signature.

This bill would appropriate funds to reimburse interest overpayments to the General Fund by certain borrowers under the 1976 Safe Drinking Water Program.

Funds to reimburse those borrowers were included in the 1998–99 Budget for the Department of Water Resources. Payments will be made pursuant to stipulated judgments in two lawsuits that were filed by the named borrowers. Enactment of this bill would provide duplicate sources of payment for the same obligations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2521

Governor's Office, Sacramento
September 21, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2521 without my signature.

This bill would permit local enforcement agencies (LEAs) to recover costs for defending themselves against frivolous appeals of denials of a solid waste facility permit; would eliminate the prohibition against members of an independent hearing panel from serving more than two consecutive two-year terms; would require an LEA to issue written notice of a proposed denial of a facility permit; and would provide that a cease and desist order issued by an LEA against a solid waste facility operator would remain in force and effect until overturned by a hearing panel or court of law.

Existing law (Public Resources Code, section 45017) currently authorizes a cease and desist order to take effect immediately, regardless of appeal, in instances that pose an imminent and substantial threat to the public health and safety or to the environment, or more specifically, if the public health and safety and environment can only be protected by the operator's immediate compliance. This bill would extend that provision to include virtually any activity for which the LEA is authorized to issue an order, including not only an activity that actually results in some hazard or pollution, but any activity for which a hazard or pollution is reasonably foreseeable, regardless of whether or not an actual threat is imminent.

While I support the bill's protections against frivolous administrative appeals, I am concerned that this legislation unnecessarily infringes on the due process rights of those subject to an enforcement proceeding by an LEA. Current law already provides to LEAs the immediate enforcement tools where there is a need to quickly protect public health and safety or the environment. The tools for the enforcement of the types of scenarios envisioned by this legislation are already in place. Accordingly, this bill is unnecessary.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 22nd day of September 1998, at 4:20 p.m., of Assembly Bills Nos. 1686, 2280, 2383, and 2521, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 930

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 930 without my signature.

This bill would require bicycles to have two-colored rear reflectors and allow bicycle riders to wear reflective footwear or ankle bands. This bill would also require local agencies, to the extent feasible, to utilize

new traffic loop detectors designed for bicycles, and to implement new traffic lights designed for bicycle riders.

While I recognize the need for improved transportation safety for bicycles, I believe that this bill would impose indeterminate costs on the state. Although this bill indicates that bicycle loop detectors must be installed only to the extent that such bicycle detectors are feasible, it imposes a reimbursable mandated cost on local agencies. It is inappropriate to impose these unknown costs on the state general fund, when they are clearly a local responsibility.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1161

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1161 without my signature.

This bill would require telephone corporations to annually notify new and existing residential telephone customers of the availability of caller identification services, or caller ID.

Current law already provides for the notification of caller ID services. California's telephone companies not only comply with this law, but also provide additional notification to their customers as a matter of good business practice. While this bill is apparently intended to provide increased consumer protection, it will do little to that end.

Further, the Public Utilities Commission is mandated to promulgate policies and regulations related to telephone utilities and caller ID services. Given the complexities of the industry and its technology and continual changes in consumer interest, modifications to the caller ID notification policies are better established under the flexibility of the PUC's regulatory function.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1685

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1685 without my signature.

This bill would require that county boards of supervisors and city councils, when establishing boundaries of specified districts, conform to the boundaries of existing cities and communities of interest. This bill would also require that at least one public hearing be held on any proposal to adjust the boundaries of a city council or charter city district prior to a vote on that proposal.

The intent of the bill is to reduce community fragmentation and observe community of interest in the course of local redistricting. However, this bill is flawed. It would authorize counties to conduct public hearings prior to revising the boundaries of supervisorial districts, but require city councils to conduct these same public hearings. I understand that this disparity was unintentional. Nevertheless, the requirement for public hearing is arguably even more important in the redistricting of counties and should be imposed.

Further, language should be added indicating that such hearings—as a necessary incident of the redistricting inherent in self-government—is not a reimbursable mandate.

As written, the bill does not require conduct of a hearing by counties and does subject the state to a local claim for reimbursement.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2238

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2238 without my signature.

This bill would provide fiscal relief to Marin County by excusing that County from correcting erroneous allocations of fines, forfeitures and penalty revenues for fiscal years 1991–92 through 1995–96.

Last year I vetoed SB 348 (Thompson), that would have forgiven four counties for errors similar to those in this bill. In that veto message, I stated that forgiving counties for errors in allocating fines, forfeitures and penalty revenues sets a bad precedent and encourages fiscal irresponsibility. That message still applies.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2437

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2437 without my signature.

This bill would establish a new level of benefits for state and school employee participants in the ''1959 Survivor Benefit'' program until January 1, 2009.

The Public Employees' Retirement System (PERS) prescribes a pre-retirement death benefit for the survivors of members who are not subject to social security. This benefit, commonly referred to as the ''1959 Survivor Benefit,'' is paid as a monthly allowance to an eligible survivor.

Under current law, state and local agencies may elect to provide a pre-retirement death benefit enhancement through the collective bargaining process. This measure eliminates that discretion by requiring state and local governments to provide this benefit. The issue here is not whether the enhancement is warranted. It is the impropriety of circumventing the collective bargaining process.

Despite the present existence of an accumulated surplus of employee assets, retirement benefits are more appropriately increased only by negotiation required by the collective bargaining process.

As long as state law requires that state and local governments engage in collective bargaining as public employers, it is improper to circumvent the required negotiation by legislation.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2447

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2447 without my signature.

This bill would exempt specified school employees from submitting to fingerprinting and background checks. Specifically, the bill would exempt applicants whom school districts determine necessary due to emergency or exceptional situations if delay in hiring could endanger student health or safety; employees not located at schoolsites who would not have contact with students; and students who work temporarily or part-time in the district that they attend.

This well intentioned bill would create exceptions to the otherwise absolute requirement that no person be employed by a primary school or school district before submitting fingerprints and completing a background check.

The vesting of discretion to exempt applicants from background checks in a thousand school districts is ill advised. The concerns which give rise to this bill are better addressed by completing the process of bringing the CAL ID.2 fingerprint system online. Funding for that program has been authorized.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2554

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2554 without my signature.

This bill would provide highest priority for placement in the University of California (UC) or the California State University (CSU) system to every community college student who attains an associate degree and meets transfer course and grade point average requirements.

This bill is unnecessary because UC and CSU already offer a space to all community college students who meet transfer course requirements. To statutorily give preference to any class of transfer students is unfair to other eligible students with whom they are in competition.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 23rd day of September 1998, at 3:45 p.m., of Assembly Bills Nos. 930, 1161, 1685, 2238, 2437, 2447, and 2554, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 860

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 860 without my signature.

This bill would establish the Comprehensive Teacher Preparation and Education Program and, in doing so, would codify and change the governance of existing efforts of providing teacher training through partnerships between higher education institutions and school districts.

This bill is unnecessary. This program already exists and receives funding through the K–12 categorical mega-item and is overseen by the Intersegmental Coordinating Council. Establishing detailed program guidelines in statute would make it difficult for local programs to respond to unique local conditions or to modify programs as may be necessary in the future.

Furthermore, I cannot support the governance changes to the existing program that are proposed in this bill. The Commission on Teacher Credentialing, not the Superintendent of Public Instruction, has jurisdiction over teacher preparation.

Finally, I recently signed SB 2042 which encourages postsecondary institutions to offer integrated programs that enable students to engage in professional preparation course work and intensive field experience in schools concurrent with subject matter course work and preparation. The provisions of SB 2042 more effectively address the need identified in this bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2004

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2004 without my signature.

This bill would expand the notice and due process requirements for student loan debtors by modifying the procedures related to the referral of delinquent student loans by the Student Aid Commission to the Franchise Tax Board.

This bill would provide student loan debtors that were referred to the Franchise Tax Board with greater appeal rights than other debtors. I do not believe that the rights of severely delinquent loan debtors should be expanded beyond the rights of those who attempt to repay their debt. In addition, the excessive administrative process required by this bill would diminish the state's ability to collect on delinquent student loan accounts, thereby reducing the level of actual debt collected.

Current law provides for the referral of a student loan to the Franchise Tax Board only after other attempts to collect the debt have failed, and allows for the return of a referral back to the Student Aid Commission from the Franchise Tax Board if the amount of the repayment is disputed. I believe that current law provides a reasonable balance

between the due process rights of students and the right of the state to collect repayment of delinquent loans.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2282

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2282 without my signature.

This bill would provide that counties may use the automated vital statistics system (AVSS) to transmit infant mortality data to the Department of Health Services. The Department would be required to start processing this data within six months after the death of a child. When the data collected demonstrates the need to improve the quality of obstetrical care at a hospital, the hospital shall establish a plan of action to address the identified problem.

This bill is a hollow solution to a serious problem. Counties provide the Department with infant mortality data in varying time frames and formats. Thus, the ability of the Department to develop timely quality of care information is inextricably linked to the counties, transmission of this data. This bill ignores this important fact and permits, rather than mandates, the counties to provide infant mortality data to the Department using the AVSS. The bill then requires the Department to start determining quality of obstetrical care trends within six months after the death of a child. However, since county participation in the AVSS is voluntary and not subject to the six month requirement, the Department's efforts are based on incomplete county data, rendering the results meaningless.

The counties and the Department are working on a more constructive program. The counties have begun development of an electronic death registration system (EDRS) at the local level to reduce the time in which all death data are transmitted to the Department. The Department has provided local assistance funds for a pilot project of the EDRS.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2551

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2551 without my signature.

This bill would, among other provisions, raise juror compensation by $5 per day after the first day.

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 have signed instead, Senate Bill No. 1947 (Lockyer), that will require the Judicial Council to change California's jury system to allow jurors to complete their duty within one day, unless they are immediately seated on a jury. Under this measure, jurors will have also fulfilled their jury duty service if they are challenged during the voir dire process and then dismissed, or if they were not selected during voir dire

questioning but dismissed at the end of the day. These reforms will diversify and increase representation of jury pools by allowing more people to participate in the process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2751

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2751 without my signature.

This bill would mandate an increase in the required number of public hearings held by the county committee on school district reorganization when it receives a petition to reorganize and create a new school district with attendance in excess of 15,000 pupils.

While public input in decision making is essential, current law already authorizes the county committee to hold as many hearings as it deems necessary to ensure adequate public input. This bill does not appear to solve any known problem with the current local process that could not be solved at the local level. In addition, this bill could create problems at the local level because it would increase the number of required hearings without adjusting current time requirements for holding those hearings.

Moreover, the state could be required to pay for these added hearings through the mandate claims process. I believe that school district reorganization is primarily a local issue, unique to each district and county. The strict state-prescribed requirements contained in this bill unnecessarily infringe upon the local authority over this matter.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 25th day of September 1998, at 1:55 p.m., of Assembly Bills Nos. 860, 2004, 2282, 2551, and 2751, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

PAMELLA J. CAVILEER
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 368

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 368 without my signature.

This bill would add a provision to the Labor Code that authorizes a pregnant firefighter and her physician to determine when she should cease active firefighting.

While the intent of this bill—to protect pregnant employees from forced leaves of absence—is commendable, such protections already

exist under current law in the Fair Employment and Housing Act (FEHA) found in the Government Code.

The FEHA provides job protections to pregnant employees. Under this Act, while forcible transfers and leaves of absence are prohibited, employers are required to transfer a pregnant employee to a less hazardous or strenuous position at her request. Moreover, under FEHA, the pregnant employee is entitled to four months of pregnancy disability leave with a guarantee of reinstatement to the same position at the expiration of the leave or transfer.

This bill would diminish the protections currently available to pregnant firefighters. For example, a pregnant firefighter would be required to obtain a physician's opinion as to her need for a transfer or leave of absence. The FEHA requires an employer to accept a certification of disability from the employee's ''health care provider,'' that includes a broader field of professionals than physicians. Additionally, this bill could be interpreted by employers as requiring a pregnant firefighter to obtain permission from her physician in order to continue working, a practice that is prohibited under the FEHA. Moreover, because this bill would add a provision to the Labor Code, it is unclear how it would interact with the provisions of the FEHA in the Government Code.

This measure would add confusion to the already complex leave provisions under the FEHA and its implementing regulations by creating a subgroup of pregnant firefighters within the protected class of pregnant employees. The FEHA provides the same protections to pregnant firefighters as it provides to all pregnant employees. There is no reason to create special protections for a subgroup of employees.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1827

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1827 without my signature.

This bill would require a school district to give a district employee the opportunity to present information that is relevant to an incident which may be the basis of suspension or expulsion and require an employee to reveal such information upon request by a school principal.

The bill formalizes the attendance and agenda of meetings which take place prior to a school administrator recommending action on a suspension or expulsion, and, in doing so, the bill curtails school administrators' ability to engage in informal meetings with pupils and their parents. The approach taken in this bill is inconsistent with the respective role of teachers and administrators generally in such matters and state discipline laws specifically. Current law provides ample opportunity for school employees to share relevant information without creating an additional mandate as this bill does.

Further, requiring a school employee to share information in the presence of a pupil and the pupil's parent when that information is not a matter of public record could place that employee in danger of retaliation. That threat would have a chilling effect on the willingness of

school staff to participate in such proceedings and, as a result, produce a consequence that is completely counter to what is intended by the bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1877

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1877 without my signature.

This bill would establish an Inspector General in the Department of Veterans Affairs. The bill would also require veteran home administrators to consult with the Inspector General before adopting admission rules and regulations. This bill would add the State Treasurer and the Director of Finance to the California Veterans Board as ex officio members.

There is no need to establish an inspector general within the Department of Veterans Affairs. The Secretary of Veterans Affairs has already appointed an internal auditor within the department who conducts inquiries into matters contained in this bill. Members of the veterans homes, as well as veterans in the community at large, have unfettered access to the internal auditor and to the newly-established department ombudsman.

The State Treasurer and Director of Finance should not be added to the California Veterans Board as ex officio members. The Treasurer and Director of Finance are members of the Veterans Finance Committee of 1943, which approves all bond sale recommendations and interest rate determinations by the department and Board. This provision would have diminished the effectiveness of the checks and balances between the Board and Veterans Finance Committee of 1943. In addition, Board members should be veterans and the Treasurer and Director of Finance may not always be veterans.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2339

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2339 without my signature.

This bill would extend monitoring and surveillance activities for the State Water Resources Control Boards (SWRCB) Bay Protection and Toxic Cleanup Program (BPTCP) and would require the SWRCB and coastal Regional Water Quality Control Boards (RWCQB) to implement a consolidated, statewide cleanup plan to remediate identified toxic hot spots. The bill would also exempt dischargers from the requirements of the BPTCP cleanup plan if they are remediating or contributing to the cost of remediating these sites under other specified federal or state regulatory programs.

AB 2239 represents a step backwards in the BPTCP. Dischargers would be excused from being required to meet adopted water control standards if they participate or contribute in any way in another specified remediation plan. Those provisions are extremely broad, and

could be used to let the biggest polluters off the hook for making only the slightest contribution to the cleanup effort. Requiring those dischargers to accept additional cleanup responsibilities would require the approval of the Site Designation Committee, a body created to settle issues of jurisdiction, not compliance.

Finally, the provision of this bill that calls for implementation of the final plan ''with all deliberate speed'' could be interpreted to force immediate implementation. The existing process requires the plan to include findings and recommendations for the establishment of a toxic hot spot program (Water Code section 13394(i)). The purpose of this provision is to allow all affected stakeholders, including the public, the opportunity to review and evaluate every aspect of the completed plan, including scope, feasibility, and cost (including potential for recovery of costs). To call for the implementation of a plan that has not been completed and for which a funding plan has not been identified would not only be premature, it would be irresponsible.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2454

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2454 without my signature.

This bill would appropriate $10,000,000 in federal Temporary Assistance for Needy Families (TANF) funds for transportation services for CalWORKs recipients.

Concerns have been raised by both rural and urban counties as to the adequacy of transportation services. County boards of supervisors, however, may allocate CalWORKs funds from within the county block grant should they wish to provide additional transportation services.

Additionally, the use of the federal 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.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 25th day of September 1998, at 2:41 p.m., of Assembly Bills Nos. 368, 1827, 1877, 2339, and 2454, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

HUGH R. SLAYDEN
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 34

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 34 without my signature.

This bill would require health care service plans and disability insurers to provide coverage for screening, diagnosis and treatment for breast cancer, including reconstructive surgery. It would also prohibit plans and insurers from denying coverage on the basis of genetic characteristics. Finally, the bill would eliminate utilization review.

This bill is unnecessary. Existing law, Health and Safety Code Section 1345(b) already requires plans to provide diagnostic laboratory and diagnostic and therapeutic radiologic services. Plans are also required to provide coverage for preventive health services. More specifically, Health and Safety Code Section 1367.65 and Insurance Code Section 10123.81 require coverage for mammography. Health and Safety Code Section 1367.6 and Insurance Code Section 10123.8 also require coverage for a mastectomy, including coverage for prosthetic devices or reconstructive surgery to restore and achieve symmetry. I have also just signed AB 7 (Brown) and AB 1621 (Figueroa), which enhances the coverage for women receiving treatment for breast cancer and reconstructive surgery.

In addition, existing law, Health and Safety Code Section 1374.7 and Insurance Code Section 10140, already prohibits discrimination in health insurance coverage on the basis of genetic characteristics. Finally, it would be inappropriate to eliminate utilization review. The proper use of utilization review ensures that the patient receives the proper care in a coordinated manner.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 341

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 341 without my signature.

This bill would require health care service plans and disability insurers to provide a second medical opinion if requested by an enrollee or an insured when medically necessary or appropriate or if any one of five conditions occurs.

Consumers should have access to medically necessary second medical opinions. However, this bill is flawed in one respect. Enrollees and insureds would be able to obtain a second medical opinion from a physician not associated with his or her medical group even though a qualified physician is available. There is no evidence that qualified physicians within the same medical group do not provide professional and unbiased second medical opinions. To the contrary, there is every indication that physicians who are colleagues continue to apply the highest professional standards when providing second medical opinions. Providing duplicative fee-for-service payments to a

non-contracting physician will only increase the cost of health care without improving the quality of care.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 992

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 992 without my signature.

This bill would require the Department of Corporations to determine the number of health care service plans that provide chiropractic care, acupuncture, massage therapy, midwife birth services and nutrition therapy. The Department would be required to report this data to the Legislature.

The stated purpose of this bill is to assist consumers in determining the types of nontraditional health care covered by health plans. However, it is unclear how a report to the Legislature on the number of plans that provide this type of coverage will help consumers make informed choices. Consumers may obtain this information directly from the health plan.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1931

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1931 without my signature.

This bill would require the Department of Social Services to create a new certification program for agencies that refer clients to a residential care facility for the elderly (RCFE).

There are provisions in this bill that warrant support. Agencies should be prohibited from offering monetary incentives in exchange for client referrals and receiving any gratuity from a facility beyond the amount specified in the contractual agreement.

This bill, however, would impose different regulatory processes and dual fees on many referral agencies. The Department of Health Services (DHS) already licenses those agencies that make referrals to a skilled nursing home or intermediate care facility. Under this bill these same facilities who also refer to a residential care facility for the elderly would now be subject to regulation by the Department of Social Services.

Before proceeding down the path of duality of regulation, there should be exploration of allowing DHS, which already exercises such responsibility, to be the single agency certifying and policing referral agencies for both kinds of referral.

Finally, the bill sets an arbitrary fee at $750 to administer the program. This fee is insufficient to support the regulatory program

envisioned in this bill. The funding level and appropriate fee should be established as part of the budget process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2025

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2025 without my signature.

This bill would create a major new state program to provide direct state stipends to child care workers and enhanced reimbursement rates and funding to child care programs to raise staff compensation levels in the child care field.

While recognizing the important role child care providers play in caring for our children, I do not believe it is appropriate for the State of California to provide wage subsidies or otherwise interfere in the private child care market. This bill would introduce state regulation of wages into a field that is currently controlled by the market and allow direct wage supplements to private sector employees. This may constitute a gift of public funds.

Additionally, a statewide program of this nature would require significant expenditures, diverting critical resources from providing subsidized child care to low-income families to nonsubsidized private providers. I believe that this is inappropriate at a time when demand for child care for low-income families is increasing significantly as they enter the work force in our improving economy and transition from welfare to work under California's new CalWORKs program. Further, I already deleted a provision in the 1998 Budget Act that would set aside $5 million of any federal fund child care increases to be used for this purpose noting at that time that decisions on the use of future funds should be made during deliberations on future budgets.

Finally, the Department of Education is already addressing this issue through less obtrusive methods through its approved Child Care Quality Plan required by the Federal government for receipt of Federal assistance. Also, the Student Aid Commission offers programs that forgive student loans for certain child care staff development costs.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2237

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2237 without my signature.

This bill would require the California Environmental Protection Agency, the Resources Agency, and the Department of Health Services to incorporate so-called ''environmental racism'' or ''environmental justice'' issues in their selection criteria for environmental loans and

grants. The bill would also require those agencies to place information on environmental loans and grants on the Internet in a form more easily understandable to prospective applicants.

While the goal of making better information more easily available is laudable, the bill is an ill-advised attempt to shift the primary focus of a simple grant or loan program aimed at improving the environment from an evaluation based on objective physical standards to one based upon a subjective assessment of socio-economic impact of pollution.

The evidence indicates that communities with the highest exposure to environmental risks are receiving State loans and grants. The State environmental laws do not provide separate, less stringent requirements, or lower standards in low-income communities.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1264

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1264 without my signature.

This bill would require California law enforcement officers to collect information, including race or ethnicity and approximate age and gender, about all motorists subject to traffic stops during a three year reporting period. In addition, the Department of Justice would be required to collect and report statistical reports in its annual crime statistics report.

AB 1264 is the product of a number of reports, both anecdotal and statistical, which provide evidence that African American and Hispanic citizens are subject to a disproportionate number of traffic stops.

Observers differ regarding whether these reports reflect the propensity of officers to make legally justifiable stops on a selective basis or whether some officers make stops without justification.

As our enforcement agencies become more ethnically diverse, California's peace officers have internal, as well as public, pressure to conduct their duties in a fair, nondiscriminatory manner. Most comply out of fundamental decency, others because of training or the scrutiny of their peers. Law enforcement must strive to be racially blind. It must be demanded, beginning at the academy level.

Nonetheless, some officers, like members of every profession, may fail to fulfill their duties and indulge in biases. This bill would seek to record such incidents over a period of three years at a cost of tens of millions of dollars. The bill, however, ensures that neither officers or motorists would be identified by name, only in the aggregate. Accordingly, it would be impossible to take meaningful corrective action.

This bill offers no certain or useful conclusion, assuredly nothing that would justify the major commitment of time, money, and manpower that this bill requires. The investment contemplated by AB 1264 could be more immediately and productively employed by enhancing officer training, encouraging dialogue between enforcement agencies and

racially diverse community groups, and taking forceful action against those officers who abuse the privilege of serving all of California's citizens.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 285

Governor's Office, Sacramento
September 24, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 285 without my signature.

This bill would require: 1) the School/Law Enforcement Partnership to provide specified information about domestic violence and sexual assault to school districts and county offices of education, 2) the Commission on Teacher Credentialing (CTC) to develop and implement standards for prospective teachers so that they can recognize, and appropriately respond to, victimized children, and 3) the Superintendent of Public Instruction (SPI) to develop teacher training requirements on domestic violence recognition and prevention.

While I agree with the author that domestic violence continues to be a widespread problem that seriously impacts children, I have concerns with the approach taken in this bill for addressing the problem. This bill proposes a domestic violence program within the existing School/Law Enforcement Partnership, which was originally established to control violence on schoolgrounds. While this partnership already provides assistance to school districts regarding child abuse reporting requirements, this bill would create a new role for the partnership that would divert attention and necessary resources away from its primary mission to curb on-campus violence to focus on broader domestic violence issues that may or may not directly effect a pupil or the school environment.

Further, current law already gives teachers and administrators wide latitude to make determinations of abuse, which they are required to report to the proper authorities. In fact, Education Code Section 44691 already requires the Department of Education to develop staff development seminars and instruction for school personnel in the detection of child abuse and neglect and the proper action to take in cases of suspected abuse and neglect. In addition, the Office of Child Abuse Prevention is charged with disseminating information to all school districts regarding the detection of child abuse.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 25th day of September 1998, at 4:40 p.m., of Assembly Bills Nos. 34, 341, 992, 1931, 2025, 2237, 1264, and 285, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 118

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 118 without my signature.

This bill would require the Department of Health Services to complete a Treatment Authorization Request (TAR) determination for all terminally ill Medi-Cal recipients within three working days of submission. The bill would also require the department to notify the provider of services who submitted the TAR, by facsimile, or telephone within one working day, if the TAR is denied or deferred for further information.

While there are services needed by individuals with terminal illness that must be received without delay, Medi-Cal already has procedures that address those circumstances. The current process allows for a medical service provider to provide services to a recipient needing urgent services without delay and then submit a TAR to secure retroactive approval of payment for the services provided. If the service is provided in an emergency room, a claim can be submitted without prior approval.

In less urgent situations where the provider recognizes a need for timely delivery of services, the provider may submit a TAR and speak with a Medi-Cal medical consultant about an accelerated review. Providers may also access the toll free telephone number 12 hours a day, seven days a week to determine the status of a TAR.

The Medi-Cal program makes determinations on over 2 million TARs each year in an average of 3.8 days. This bill is unnecessary.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2040

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2040 without my signature.

This bill would require the Department of Health Services to establish a 10-year repayment period for Medi-Cal overpayments owed by an acute care hospital with a psychiatric unit in Kern County and for a Kern County District Hospital that provided provides skilled nursing services. The bill specifies that the interest on the unpaid balance will accrue at a rate equal to the rate earned by the Pooled Money Investment Account.

This bill circumvents existing federal and state law governing reimbursements of hospitals. The bill threatens the fiscal integrity of the Medi-Cal program by creating the precedent for resolving the financial difficulties of hospitals by seeking similar legislation, a solution that I cannot support.

The hospitals do not dispute the amount owed, had not exercised their right to appeal nor fully exhausted their administrative remedies with the Department of Health Services. The Department of Health Services is authorized under current statutory authority to negotiate with any hospital that has taken advantage of the statutory appeal process. Additionally, this unusually long period for repayment results in the lost

interest born entirely by the General Fund because the federal government obtains immediate repayment from the State.

This bill sets a bad precedent, increases the potential for default and threatens the fiscal integrity of the state reimbursement process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2079

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2079 without my signature.

This bill would prohibit the total annual co-payment charged to enrollees in the Healthy Families program for health care from exceeding $200 per family, dental care from exceeding $25 per family and vision care from exceeding $25 per family.

The bill significantly changes the Healthy Families Program before it is fully implemented. 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. 431

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 431 without my signature.

This bill would change the state's ''zero tolerance'' expulsion policy for pupils in grades K–6. Specifically, the bill would require that a governing board expel an elementary school pupil who has committed a ''zero tolerance'' offense only upon finding that the pupil knew of the wrongfulness of the act at the time it was committed.

This bill would shift the responsibility for pupil behavior from the pupil to the school district to prove intent before a pupil could be expelled for a serious offense. For the zero-tolerance policy to have the maximum effect, it needs to be enforced without ambiguity so that the message is heard by all pupils. This bill would convey that zero-tolerance for serious offenses is no longer the policy of the state.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1605

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill 1605 without my signature.

This bill would delete obsolete provisions of the Public Utilities Code by eliminating reports that were required on a one-time basis and other sections of code that have been preempted by federal law or are no

longer necessary because of regulatory changes mandated by state and federal laws.

This bill unfortunately conflicts with a bill I signed earlier this year, AB 1051, which allows hearing impaired individuals with greater access to important hearing devices as part of the Public Utilities Commission's (PUC) telephone assistance program. Signing AB 1605 would mean that the provisions of AB 1051 would no longer be in place.

AB 1605 is a technical bill of importance to the Public Utilities Commission. I call on the Legislature to re-introduce this bill in its December session as an urgency bill and pass it to the next Governor for signature as soon as possible.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1791

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1791 without my signature.

This bill would require the Department of Alcohol and Drug Abuse to convene a task force to study the proliferation, over concentration, and business practices of narcotic treatment programs. The bill would also modify existing laws governing the licensing of narcotic treatment programs and revise the rate setting methodology for narcotic treatment doses and ingredient costs.

The goals of this legislation are commendable and shared by the Administration. But the bill is not only unnecessary duplication of efforts presently underway, its specificity would in fact conflict with and impede these efforts.

This bill is duplicative of department program procedures and regulations. The department implemented a uniform reimbursement process for ingredient costs and monthly dosing rates in the 1998–99 fiscal year. The Department is also currently in process with its advisory work group assessing the siting, availability and accessibility of programs. Additionally, existing state regulations require similar requirements for a strong rehabilitative component and control of contagious diseases.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2016

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2016 without my signature.

This bill would prevent a mobilehome park owner from charging mobilehome residents more than the actual cost of liquid propane butane. The bill would allow a separate monthly charge for costs related to the operation of the distribution system.

This bill will have the unintended consequence of increasing costs for mobilehome park residents. Price controls that eliminate any reasonable profit will cause park operators to increase rents and other types of charges, further distorting the housing market. In addition to eliminating

any reasonable profit, the bill does not allow the park owner to recover the capital invested in building the distribution system. This may cause park owners to stop providing distribution services, thus forcing park residents to rely on more expensive alternatives.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2375

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2375 without my signature.

This bill would exempt a schoolbus driver from the flashing red signal lights and stop signal arm requirements when loading and unloading pupils at specified locations.

Last year, I signed Assembly Bill 1297, the Thomas Edward Lanni Schoolbus Safety Act of 1997, which requires that all schoolbus drivers activate their bus's flashing red lights when stopped for the purpose of loading or unloading students. I signed last year's bill to ensure that California's school children are protected when traveling to and from school on a school bus. This law is comparable to laws in 49 other states.

AB 2375 seeks to repeal provisions of last year's bill by putting in statute exemptions to the mandatory flashing red light requirement. The law has been in place for less than one year, which is hardly enough time to determine if exemptions are needed. If evaluations show that exemptions are necessary, I call on children safety groups across California to work with state and local law enforcement, as well as parents and teachers, to enact Legislation that improves safety for school children and motorists, rather than making changes that lessen the burden on bus drivers and school districts to comply with the law.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2461

Governor's Office, Sacramento
September 26, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2461 without my signature.

This bill would create eight advisory bodies of the California Public Utilities Commission and create within the State Treasury the eight funds collected pursuant to functions carried out by those advisory boards.

This bill will transfer the duties and responsibilities for collecting various surcharges and fees from the respective utility companies of each program to the State. During this Administration, I have sought to reduce the size of government by encouraging state departments to privatize their functions. This bill is a movement in the opposite direction, by taking functions currently performed by private utilities and requiring that they be performed by state employees.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 28th day of September 1998, at 1:10 p.m., of Assembly Bills Nos. 118, 2040, 2079, 431, 1605, 1791, 2016, 2375, and 2461, 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

Veto Message—Assembly Bill No. 399

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 399 without my signature.

This bill would include self-employed individuals in the health insurance regulatory framework for small employer groups. The bill would also provide for state implementation of the Health Insurance Portability and Accountability Act of 1997 (HIPAA).

The federal government is presently enforcing the portability provisions of HIPAA because the Legislature last year refused to move the Administration's proposal to have the state do so. As a result, California is one of only three states with federal rather than state enforcement. The provisions of this bill, which are those of the Administration bill (AB 830, Brewer), now propose state implementation, and are good for California. California, not the federal government, will do a better job of enforcing the portability provisions of HIPAA.

However, the provisions of this bill including self employed individuals in the regulatory framework for small employer groups will upset the stability recently achieved in this once volatile market. The bill would distort this market by shifting higher risk individuals from the individual health insurance market to the small employer group market, thus increasing costs for all small employers.

Provisions in the bill to prevent this cost shift are inadequate. Instead of increasing access to health insurance coverage, this bill would actually cause some small employers to drop coverage for their employees.

Those who are serious about providing maximum access to health coverage must remember who pays for it. Improving the affordability of insurance is the key to providing more working Californians with quality health insurance coverage. The author would have achieved that goal and a signature had he simply presented the Administration's affordable proposal.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1368

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1368 without my signature.

This bill would create the Carl Moyer Air Quality Standards Attainment Program to provide grants to individuals, businesses, and/or

public agencies for the purchase of new, low-emission technology for heavy duty engines, the development of low-emission technologies, and the installation of infrastructure at sites designated to dispense vehicle fuel that reduce oxides of nitrogen (NOx). The purpose of this program is to reduce NOx emissions from heavy-duty diesel engines, which are a significant source of pollution.

Earlier this year, I submitted a $50 million May Revision proposal to provide economic incentives for the purchase of low-emission technology for diesel engines as a cost-effective means of reducing NOx emissions. The Air Resources Board advises me that the most cost-effective means available to reduce pollution from large diesel engines is to replace those engines with lower-polluting alternatives. The Legislature ultimately decided to fund only $25 million of that proposal. This bill would further dilute the amount of money available for this purpose by diverting funds to research and infrastructure projects. Furthermore, it would create a number of separate accounts and rigidly control funding for project types by percentage allocation.

As this bill is inconsistent with the program put forward by this Administration, I am directing the Air Resources Board, under its general statutory authority and in a manner consistent with the Clean Air Plan, to provide grants for the replacement of heavy-duty diesel engines using funds allocated in the 1998 Budget Act for that purpose.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1889

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1889 without my signature.

This bill would require the State Board of Pharmacy to conduct a study of medication error rates and negative drug interactions and would appropriate $300,000 from the Board's Contingent Fund for that purpose.

Concerns have been raised about the integrity, validity, adequacy of funding and confidentiality of the proposed study. The bill's reference to ''placebo'' prescriptions is inappropriate, a study of errors in the filling of prescriptions or the failure of pharmacists to take into account potentially harmful drug interactions should be accomplished by studying fictitious, rather than ''placebo,'' prescriptions. In addition, no matter what transgressions might be discovered while conducting the contemplated study, no disciplinary or corrective action could be taken.

The information which would be provided by this study could also be provided by various national organizations which are currently collecting data on drug prescription error rates, employing definitions different than those proposed by AB 1889. This bill is at best premature and, if adequate data is compiled by the pending studies, potentially unnecessary. In the interim, the Board has, consistent with the recommendation of the National Association of Boards of Pharmacy, encouraged pharmacies to develop in-house quality assessment procedures.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2300

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2300 without my signature.

This bill would authorize county boards of supervisors to impose a $2 surcharge on superior court civil filings to establish children's waiting rooms in courthouses.

Last year I signed Assembly Bill 233 which established statewide trial court funding. Accordingly, the courts may establish children's waiting rooms within existing resources.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2403

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2403 without my signature.

This bill would require the Department of Corporations to follow specified procedures when assisting consumers who have complaints about their health care service plan. The bill would also require the Department to contract with third-party organizations to provide advocacy on behalf of consumers.

This bill is unnecessary. The 1997–98 budget bill increased annual assessments on health plans by $6.2 million to allow the Department of Corporations to assist more consumers with complaints about their health plans and to commence enforcement actions. In addition, there are numerous existing third-party organizations that advocate on behalf of consumers. For example, the Center for Health Care Rights is operating the Pilot Health Care Consumers' Information and Assistance Program in the Sacramento area. I have signed legislation, SB 1191 (Chapter No. 47, Statutes of 1998) which provides confidentiality and nondiscrimination protections to the program.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2501

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2501 without my signature.

This bill would require school principals to obtain oral permission from a parent or guardian before making an elementary school pupil available to a peace officer for interrogation. In cases involving secondary school students, the principal would be required to inform the pupil of the right to have a parent, guardian, or school staff member present during the interrogation.

This bill is based upon anecdotal reports of excesses engaged in by overzealous peace officers who conducted intrusive interrogations of pupils on school sites. There is no evidence that these alleged abuses are widespread or systematic. In fact, there is ample reason to believe that

fewer abuses occur in California than elsewhere. California has banned corporal punishment and strip searches of juveniles, practices which have led to complaints in other states.

Peace officers often have reason to come onto school sites. Hundreds of schools have peace officers regularly stationed on campus. Many more have peace officers who regularly come onto the campus in conjunction with educational and crime prevention programs, such as the D.A.R.E. program. Despite this significant presence of peace officers on campus only a few, isolated allegations of abuse have been identified. As a result of the high police presence on campuses, many school sites are safer than the neighborhoods in which the student live.

Peace officers are not on campus just to investigate criminal behavior. Increasingly they serve as mentors, counselors, and instructors. When cast in such roles should an officer's question constitute interrogation?

This bill assumes that an adversarial relationship should exist whenever officers question students. By advising students, particularly those in middle and senior high schools, that they do not have to talk to an officer, there is an inference that the officer is an adversary who cannot be trusted. Furthermore, this bill would place school officials in the awkward and inappropriate role of criminal defense counsel for the interrogated student. The terms of the bill are sufficiently confusing so that the nature of the interrogation and the roles of the parties are generally unclear but clearly conflicted.

There are a number of current constitutional and statutory protections that shield juveniles from excessive and unreasonable interrogations. In light of these protections, the lack of evidence of widespread abuse, and the potential chilling effect on the officer-student dialogue, the dangers posed by this bill outweigh its benefits.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2560

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2560 without my signature.

California has since 1989 prohibited possession or sale of ''assault weapons,'' specifically identifying 58 firearm models by brand (Penal Code 12275 et seq.).

This bill would define as ''assault weapons,'' a class of semi-automatic firearms possessing certain physical features. In addition, the bill would prohibit the manufacture and sale of ''large capacity'' ammunition magazines and increase penalties for use of ''high capacity firearms.''

The way to prevent tragedies of the kind in which a deranged gunman has massacred numerous victims in just minutes or seconds, by delivering semi-automatic fire upon a group, is to put beyond the gunman's reach the capacity to wreak such carnage. That requires limiting magazine capacity, and hoping that illegal magazines of a greater, prohibited capacity are not available to a deranged person on the black market.

More than a year after its introduction, this bill still imposed no limitation on the purchase or sale of high capacity magazines.

In its final form, after insistence by this office, it does. But regrettably, AB 2560 mixes together issues of capacity and cosmetics with too little attention given to capacity and too much to cosmetics. If this bill's focus were high speed sports cars, it would first declare them ''chariots of death'' and then criminalize possession of Ramblers equipped with racing stripes and wire wheels.

Perversely, AB 2560 would purport to authorize manufacture of magazines larger than permitted under preemptive federal law, while defining assault weapons in terms of features which have little to do with the capacity or lethality of the weapons in question. As a result, after fifteen amendments, AB 2560 may be more susceptible to constitutional attack than the law it seeks to replace. By design or happenstance, it is a maze which would entrap the unwary, generate endless litigation, and provide the author manifold opportunities for corrective legislation. California deserves better.

In fact, the author's refusal to accept requested changes that would have earned a signature—coupled with his recent inflammatory charge that a veto of his plainly flawed bill will make me responsible for a legacy of murder victims—have virtually invited a veto, suggesting he would rather have an issue than a solution and a signature.

And the charge itself is not only self-serving and outrageous, but a cynical effort to con the public about what kind of legislation actually will protect—and has protected—them against gun violence. It is not the author's version of gun control.

Under the best of circumstances, AB 2560 would not provide one percent of the crime reducing impact of ''10-20-Life.'' In 1994, I signed bills authorizing ''Three Strikes,'' ''One Strike Rape,'' and eighty-five percent mandatory time for violent felons. The following year, I signed laws imposing the death penalty for offenders who murder during a carjacking or driveby-shooting. Last year, I signed ''10-20-Life'' imposing tough penalties on offenders who commit felonies using firearms. Violent crime has decreased steadily since 1993. In 1993, there were 4,095 homicides in California. In 1997, there were 2,579.

This reduction of over 1,500 annual homicides was accompanied by a remarkable reduction in the number of handgun sales during the same period (434,000 in 1993, 204,000 in 1997). Neither reduction is attributable to confusing gun control laws. The correlation is direct and obvious; the imposition of penalties which resulted in a reduction in crime gave confidence to a fearful public and resulted in a decline in guns purchased for self-protection.

The reduction in crime is not over. California's murder and violent crime rate was lower in 1997 than at any time in more than thirty years; murder and other violent crime rates continue to plummet. In Fresno, where local television stations warn prospective offenders of the length of sentences imposed under ''10-20-Life,'' murder and armed robbery have dropped an extraordinary fifty percent in the first half of 1998. During the same period, the statewide murder rate has decreased more than twenty two percent, the largest drop in history and part of an unprecedented five year decrease of over fifty percent. Again, these

most recent decreases follow a 1997 experience reflecting the lowest violent crime rates in over thirty years.

That's how to deal with gun violence.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 28th day of September 1998, at 3:30 p.m., of Assembly Bills Nos. 399, 1368, 1889, 2300, 2403, 2501, and 2560, 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

Veto Message—Assembly Bill No. 278

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 278 without my signature.

This bill would add the phrase ''infants and children'' to current law directing state agencies to set health-protective air quality standards; require an air monitoring pilot program at three locations around the state near a day care center or school and an evaluation of the air quality monitoring system in the aftermath of the pilot project; require adoption of control measures for toxic air contaminants by January 1, 2004; and require businesses located within 1,000 feet of a school or day care center to be inspected at least once a year, if that facility has more than one regulatory violation in five years' time.

Proponents argue that new scientific studies suggest that our standards must be re-evaluated, and that current practice depends on the use of safety factors (or uncertainty factors) that were developed as a technique by risk assessors more than 30 years ago. However, those same supporters fail to offer a single piece of evidence, scientific or otherwise, which suggests that California's standards are not protecting the health of all Californians, including infants and children. The studies referenced merely point out that children, like all Californians, are exposed to air pollution and that such exposure has health implications. In the absence of specific evidence that our standards are inadequate, supporters of this legislation have suggested that additional safety factors should be applied to our current standards to make sure infants and children are protected. In doing so, they advocate the very approach they criticize as anachronistic.

California has the most stringent air quality standards in the world. And State scientists are continually reviewing new scientific evidence to ensure that no emerging science calls into question the validity of those health-protective standards. The most recent, comprehensive review of air quality standards—perhaps the most comprehensive review ever of all available science—was completed by U.S. EPA when it reviewed its ozone and particulate matter standards last year. The new standards were based solely on health data, without consideration for economic or technical considerations. Yet California's air quality standards are still more stringent than those proposed federal standards

for smog and PM 10. This is further confirmation of California's conservative approach to health protective standards.

California laws, regulations and administrative practices appropriately focus on sensitive populations. Despite the rhetoric surrounding this bill, rarely do children and infants fit that definition. In fact, for five of the six federal ambient air pollutants, children are not the most sensitive population. This point was most succinctly stated by one of the bill's sponsors—the Natural Resources Defenses Council—when it correctly observed in its ''Children At Risk'' report issued less than a year ago that the elderly are at greatest risk from air pollution (page 33).

Certainly we do not know everything about the health effects of air pollution; some data gaps do exist. That's why during the first years of my administration, the Air Resources Board initiated a 10-year study of the chronic health effects of air pollution on children. This $11.5 million study, conducted under the auspices of the USC School of Medicine, is tracking 5,000 children in a dozen Southern California communities and measuring the impacts of ambient air pollution on their health and development. The study is currently in its sixth year.

In addition, the Office of Environmental Health Hazard Assessment has nearly concluded a multi-year effort to develop guidelines for exposure assessment and stochastic analysis. These guidelines incorporate original research conducted under the auspices of the Air Resources Board and others, including water consumption rates, food consumption rates, breathing rates and soil ingestion rates—those physiological differences that AB 278's sponsors correctly point out make children unique when compared to adults. These guidelines will be completed and peer-reviewed by the State's Scientific Review Panel this fall.

These efforts will continue to inform the standard-setting process, and fulfill our commitment to improving the scientific underpinnings of our public health protection efforts.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 434

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 434 without my signature.

This bill would specify procedures for economic or capacity profiling and prohibits health care service plans and contracting providers from discriminating against individual providers that have a substantial number of patients with serious medical conditions. The bill would also require plans and provider groups to make available to any providers with whom it contracts the criteria used to credential individual providers, terminate contracts, or fail to renew contracts.

Health plans and medical groups should not discriminate against providers simply because they care for seriously ill patients. However, this bill includes unrelated provisions interfering with the contractual relationship between health plans, medical groups and contracting

providers. The parties may determine for themselves the criteria upon which a contract will terminate or not be renewed.

I have instead signed Senate Bill 984 which requires health plans to provide the public and the Department of Corporations with information about how economic profiling is used and how the health plan ensures that medical decisions are rendered by qualified medical providers, unhindered by fiscal and administrative management considerations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1630

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1630 without my signature.

This bill would require state agencies that make loans and grants to report recipient information to the New Employee Registry (NER). In addition, state agencies would be required to report information regarding state contractors to the NER. State contractors who hire independent contractors would also be required to report information regarding the independent contractor to the NER.

I signed legislation in 1992 to create the NER to assist state and local agencies in locating parents who are delinquent in their child support obligations and to enforce collection of amounts due. Last year I signed AB 67 (Escutia), Chapter 606, Statutes of 1997, which expanded the NER by requiring all California employers to report new hires to the NER, effective July 1, 1998. In addition to this recent expansion of the NER, I also signed AB 573 (Kuehl), Chapter 599, Statutes of 1997, which required a study of expanding the NER further to include independent contractors.

The AB 573 study has just been released. It concluded that because the NER is so new there is insufficient data to determine whether further expansions of the NER would be cost effective in increasing child support, and that further study is required. In fact, it is unclear that the significant costs in collecting and reporting data regarding those who are independent contractors of state contractors and those who receive state loans and grants will result in increased child support collection. Also, much of the data required by this bill is already reported to state and local enforcement agencies from other sources.

An approach which offers greater expectation of results is AB 1396 (Alquist), which I have signed. It requires state contractors to comply with state and federal child and family support obligations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1642

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1642 without my signature.

This bill would suspend certain clean air specifications for all gasoline produced in California and provide a special exemption for blends of gasoline containing 10 percent ethanol, unless the Air

Resources Board (ARB) makes certain findings before March 31, 1999. The bill would further require that the Environmental Policy Council, comprised of the six boards and departments under the auspices of the California Environmental Protection Agency, to evaluate the environmental implications of all existing and future gasoline regulations.

Eliminating the limitation on oxygen content in gasoline will result in more smog-forming emissions from the more than 20 million cars and trucks in California. Similarly, the special consideration given to 10 percent ethanol blends will result in significant new emissions from vehicles using such fuel. In order to protect the public health benefits of the Cleaner Burning Gasoline, which is removing more than 1 billion pounds of pollution a year from our air, the ARB would be forced to spend millions of dollars to demonstrate, once again, the validity of its technically and scientifically supported fuel regulations in a time frame that is unachievable and by testing methods that are prohibitively expensive.

Furthermore, the provisions of the bill relating to the Environmental Policy Council's review of proposed and established fuel regulations create the possibility that all existing fuel regulations will be re-written. Those regulations were developed over many years, and resulted in a multi-billion dollar investment by the refining industry to produce the world's cleanest gasoline. An evaluation of the multi-media environmental consequences of regulations should be considered—and they are being considered by the California Environmental Protection Agency. But the prospect of reinventing these regulations, which have proven to be successful in reducing public exposure to toxic emissions from gasoline by 30–40 percent, and eliminating the smog from the equivalent of 3.5 million vehicles on our highways, is not warranted.

The answer to California's oxygenate issues is enactment of HR 630 (Bilbray) and S 1576 (Feinstein), which will allow California to proceed with its own oxygenate-free regulations, unfettered by federal interference. California's gasoline regulations allow for the clean air benefits of our reformulated fuel to be realized without the use of any oxygenate at all. However, the federal Clean Air Act amendments of 1990 explicitly mandate the use of oxygenate in gasoline. My administration has supported for several years the enactment of an amendment, first introduced by Representative Bilbray, to provide an exemption for California from this unnecessary federal mandate.

Ultimately, AB 1642 is unnecessary. Its expensive test procedures will confirm the need for the regulatory specifications already in place. For those who support the bill on the basis that California regulations have prohibited the use of ethanol as an oxygenate, I would only point to the use of ethanol by one of California's largest refiners, while still meeting California's gasoline regulations. This legislation, while purporting to provide access to the market, seeks to enhance the advantage of this product. There are no regulatory barriers to its use, and State law should not be used as a means to achieve market advantage, especially when the consequences will foul our air.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1682

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1682 without my signature.

This bill would require local government entities that make loans and grants to report recipient information to the New Employee Registry (NER). Local government contractors who hire independent contractors would also be required to report information regarding the independent contractor to the NER.

I signed legislation in 1992 to create the NER to assist state and local agencies in locating parents who are delinquent in their child support obligations and to enforce collection of amounts due. Last year I signed AB 67 (Escutia), Chapter 606, Statutes of 1997, which expanded the NER by requiring all California employers to report new hires to the NER, effective July 1, 1998. In addition to this recent expansion of the NER, I also signed AB 573 (Kuehl), Chapter 599, Statutes of 1997, which required a study of expanding the NER further to include independent contractors.

The AB 573 study has just been released. It concluded that because the NER is so new there is insufficient data to determine whether further expansions of the NER would be cost effective in increasing child support, and that further study is required. In fact, it is unclear that the significant costs in collecting and reporting data regarding those who are independent contractors of state contractors and those who receive state loans and grants will result in increased child support collection. Also, much of the data required by this bill is already reported to state and local enforcement agencies from other sources.

An approach which offers greater expectation of results is AB 1396 (Alquist), which I have signed. It requires state contractors to comply with state and federal child and family support obligations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2048

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2048 without my signature.

This bill would require health care service plans to disclose to the public the criteria used to authorize or deny health care services for the specific procedures or conditions requested.

The stated purpose of this bill is to provide the public, media and consumer organizations with a comparison tool to review health plans. This bill, however, would not accomplish this purpose. Clinical guidelines are not standardized procedures applicable to all patients in the same way. They instead require the physician to take the patient's individual circumstances into account and to exercise sound medical judgment. This inherent flexibility renders side by side comparisons meaningless and may actually mislead patients into expecting inappropriate treatment.

The bill is also unnecessary. Existing law already requires the health plan to disclose its clinical guidelines if used as a basis to deny services

to a specified patient. In addition, I have signed AB 607 (Scott, Chapter No. 23, Statutes 1998), which allows consumers to use a standardized benefits matrix to compare health plans.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2192

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2192 without my signature.

This bill would require various agencies to adopt regulations, provide training and develop emergency response plans specific to the transportation of high-level radioactive waste and spent nuclear fuel. This bill would impose a fee on shippers to pay for these activities.

This bill is unnecessary, would blur lines of authority, and would increase costs to California businesses and the General Fund. It seeks to establish a regulatory system that unnecessarily overlaps and duplicates existing requirements. Current state and federal law already provide safeguards to ensure that high-level radioactive waste and spent nuclear fuels are transported safely. The duplication created by this bill could lead to uncertainty as to responsibility on the part of local response agencies and state regulatory agencies, especially the Office of Emergency Services, State Fire Marshal and California Highway Patrol. This bill would have the unintended consequence of negatively impacting their ability to properly coordinate emergency planning and preparedness.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2639

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2639 without my signature.

This bill would establish standards for health plans using utilization review. It would also require health plans to provide coverage for cancer screening tests.

This bill would provide much needed improvements to the current managed health care utilization review process. Unfortunately, the author chose to condition enactment of this bill upon the enactment of an unrelated measure, Assembly Bill 2048, which has been vetoed.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1100

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1100 without my signature.

This bill would require health care service plans and disability insurers to provide coverage for biologically based severe mental illness under the same terms and conditions as applied to other medical conditions.

This bill is one of numerous health insurance mandates passed by the Legislature in recent years. While such mandates may be desirable when reviewed individually, their collective costs are substantial and contribute to the rising costs of health insurance coverage. These increasing costs are directly linked to the ever higher number of uninsured workers. Just last week the Census Bureau reported that the number of Americans without health insurance rose sharply last year to 43.4 million and the proportion of Americans lacking coverage reached the highest level in a decade, 16.1%.

According to the UCLA Center for Health Policy Research (UCLA), 8 out of 10 uninsured Californians are in working families. 59% of these uninsured California employees cite the high cost of health insurance as a very important reason they lack coverage. The cheapest product an employer can offer its workers is a health maintenance organization (HMO). The average employee share of the premium for family coverage in an HMO is $142 per month. For a full-time, minimum wage worker, this represents 16% of their gross annual income. Thus, it is not surprising that many working families choose to remain uninsured even though they receive coverage through their employer. Californians for Affordable Health Reform state that for every one percent increase in insurance premium costs, up to 40,000 Californians will lose health care coverage.

The authors' letter states that this bill's mandate will not increase premiums, and cite the California Public Employees Retirement System (PERS) as estimating a ''possible fiscal impact of '$0'.'' The authors misrepresent the PERS fiscal analysis. PERS estimates premium increases of .003% to as much as 3.4%. This translates into annual program costs ranging from $0 at the low end to $56 million at the high end. More importantly, the PERS estimate is lower than what is expected for other health care purchasers because PERS already voluntarily provides relatively generous mental health benefits.

The authors have also stated that mental health parity will only cost $1 per person per year. However, the authors again misrepresent the facts. A RAND study published in The Journal of the American Medical Association found that ''removing the typical average annual limit of $25,000 would increase mental health care costs by about $1 per enrollee per year under managed care.'' JAMA, November 12, 1997, Vol. 278, No. 18, page 1536. This bill would mandate coverage far beyond simply eliminating an annual cap and would as a consequence result in increased premium costs.

Several California health plans estimate the increased premium costs of AB 1100 to be in the range of 1–5%. Applying the rule of thumb supplied by Californians for Affordable Health Reform, that means that from 40,000 to 200,000 employees now covered will be priced out of

the market by this premium increase. The estimates vary depending on the health plan and the particular market in which they offer coverage. Premium increases will also be disproportionately higher for individuals and small employers. One California insurer estimates that this group will experience premium increases of three to four times more than larger employers as a result of this bill. The high cost of mandates like this bill is the reason why many small employers do not provide health insurance coverage for their employees. UCLA states that 95% of employers in California are small firms (3 to 50 employees) and 34% of all employees in California work in small firms. Only 49% of employees in small firms get coverage through their own employer, compared to 70% of employees in large firms (500 or more employees).

The authors' letter attaches great significance to the fact that "mental illness insurance parity laws are in place in nineteen other states." The authors' implication that this bill is similar to the laws enacted in these states is false. Information provided by the National Association for the Mentally Ill indicates that most of these states do not require the level of coverage mandated by this bill. In fact, some of these states do not mandate coverage at all, but simply require that insurers offer the coverage to those who wish to purchase it. Many of them only require parity if the employer chooses to cover the benefit, and others only require that parity apply to lifetime and annual caps. In addition, several states exempt small employers and allow employers to opt out if premiums increase.

The authors' have specifically pointed to the experience of New Hampshire and Texas as evidence that this bill will not increase health insurance premiums. New Hampshire has had legislation similar to this bill in place since 1995 with minimal increases in premiums reported. However, New Hampshire has had a mental health mandate in place since 1975. The 1995 legislation only imposed an incremental increase in required benefits, resulting in a commensurate increase in premiums. It is disingenuous for the authors to compare the comprehensive mandate in AB 1100 to the incremental change enacted in New Hampshire. Texas also enacted legislation similar to this bill in 1997. However, unlike this bill, Texas exempted small employers with 50 or less employees. Even so, several Texas health plans are already projecting premium increases of 4-8% as a result of the mandate.

California working families should have access to affordable mental health insurance coverage. Accordingly, the authors have been presented by this office with several options that would have provided considerably expanded mental health coverage. However, the authors have instead engaged in a shortsighted "all or nothing" strategy that would impose on California employers coverage beyond what other states require and, in the case of many small employers, unaffordable cost increases. The unintended net effect could well be a loss of access to any coverage. Most states that have passed mental health legislation have only done so in the last two years. Change of this magnitude should be made incrementally as we learn more about the impact of this type of legislation on the number of uninsured.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1715

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1715 without my signature.

This bill would require the Insurance Commissioner to establish an insurance policy registry for policies covering persons in Europe between 1920 and 1945. Any insurer or related company doing business in California would be required to provide specified information to the Commissioner within 180 days. The insurer would also be required to provide a comparison of the names of holders and beneficiaries of the policies and the names of the victims of the Holocaust. The names of victims of the Holocaust would be provided by the Department of Insurance and may be obtained from the Yad Vashem repository in Israel. Insurers would be required to certify the disposition of the policy proceeds. The Commissioner would be required to suspend the ability of an insurer to do business in this state if it fails to comply with all of the requirements of this bill within 210 days. Finally, the bill states legislative findings that the international Jewish community is in active negotiations with responsible insurance companies toward agreements to create an international commission to resolve outstanding insurance claims, and that the bill is necessary because these negotiations are unresolved.

In addition to this bill, I have before me Senate Bill 1530 (Hayden), which would establish a comprehensive program to resolve the insurance claims of Holocaust victims, survivors and their heirs. I have signed SB 1530 because it is the better solution to bring prompt payment to those who have been denied justice for far too long. However, this bill, AB 1715, is inconsistent with SB 1530.

This bill would require insurers to collect information unrelated to resolving the claims of Holocaust victims, survivors and heirs. Insurers would be required to provide data on all insurance policies sold in Europe from 1920–1945, not just those sold to Holocaust victims. This information must be matched with lists of the names of victims of the Holocaust. However, only partial lists exist.

The procedure established in SB 1530 is far superior. In addition to maintaining a registry with policy information related to the Holocaust, the Department of Insurance would be required to use onsite teams to search the archives of insurers and conduct investigations into unpaid claims related to the Holocaust. Whereas AB 1715 requires reliance upon whatever records remain in the hands of the insurers, SB 1530 creates an on-site team of investigators to examine not only the insurers' records but any other evidence that Holocaust victims were issued policies that remain unpaid. These investigators will be, in effect, ''insurance archeologists.'' By contrast, the comparison of lists envisioned in AB 1715 would seem intended to set up a class action that may be fraught with problems. It might well prove a more uncertain and more time-consuming process than the more labor-intensive on-site investigation proposed by SB 1530. The Department would also be required to cooperate with other states and the international commission on Holocaust claims. In addition, the Department would be required to suspend the ability of an insurer to do business in California if it failed

to pay any valid claim to Holocaust survivors, victims or heirs.

Importantly, SB 1530 appropriates $4 million to the Department to conduct its investigation, while this bill remains unfunded. Thus, the Department is actually able to devote time and resources to resolving claims rather than merely collecting data.

Also, the stated justification for this bill is that negotiations to establish an international commission to resolve claims has not been completed. This is no longer accurate. A Memorandum of Understanding was entered into on August 25, 1998 between five major European insurance companies, the National Association of Insurance Commissioners, the Government of Israel, the World Jewish Restitution Organization and the Conference of World Jewish Claims Against Germany to establish an international commission to resolve insurance claims of Holocaust victims, survivors and heirs.

Finally, I would prefer to see the time and resources of the insurers spent in payment of valid claims by Holocaust victim policy holders, survivors, or heirs, than expended in compiling a massive database that seems likely to produce far less relevant and useful information than the more painstaking approach of SB 1530. The two bills conflict in approach. SB 1530 holds greater promise of timely justice for Holocaust victims.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2231

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2231 without my signature.

This bill would require that a final fish consumption advisory issued by the Office of Environmental Health Hazard Assessment (OEHHA) regarding fish and shellfish contamination identify the contamination hazard, and be posted at public fishing locations in languages used by people that frequent those locations. The bill would also require the Department of Health Services (DHS) to make health advisory pamphlets available to state and local agencies.

This bill is ambiguous and unnecessary. OEHHA is currently authorized to produce fish advisories (Fish and Game Code §7715). It is unclear what purpose would be served by restating that authority in the Health and Safety Code. It is also unclear whether this bill would require DHS to assume responsibility for posting these advisories, or if that responsibility would remain the responsibility of the local health departments. This lack of clarity could lead to confusion among affected agencies which could result in advisories not getting posted. Failure to post, as specified in the bill, could create an unintended liability for each of the jurisdictions.

Existing law ensures that public health is protected. The state should continue to issue its advisories in a clear, consistent manner, using its existing statutory authority, and local jurisdictions should retain the flexibility to determine the best method for warning fishermen of the dangers of eating contaminated fish.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 28th day of September 1998, at 5:01 p.m., of Assembly Bills Nos. 278, 434, 1630, 1642, 1682, 2048, 2192, 2639, 1100, 1715, and 2231, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 1617

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1617 without my signature.

This bill enacts the ''Religious Freedom Protection Act,'' which would prohibit any state or local government from enacting or applying a facially neutral law, ordinance, or regulation which substantially burdens a person's exercise of religion unless the government can demonstrate that the law, ordinance, or regulation (1) furthers a compelling governmental interest and (2) uses the least restrictive means of furthering that compelling governmental interest. This test would apply to all state or local laws, ''whether adopted before or after the effective date of this chapter,'' and could be asserted as a claim or defense in any judicial proceeding. It bears emphasis that the bill's focus is on laws that regulate conduct claimed to be motivated by religious beliefs, not religious beliefs—which are fully protected by the First Amendment.

This country has been a beacon for religious freedom. Many of the earliest settlers came to America to escape religious persecution. Few principles epitomize America's unique national character as does the First Amendment's right to freedom of religion. But this bill goes beyond the guarantees under the First Amendment or the California Constitution. Poorly drafted, it sets standards for assessing the validity of laws which would have untold consequences not contemplated by its supporters: It would engender litigation by prisoners and criminal defendants alike, who claim that the laws which protect and preserve order burden their religious beliefs. It would open up the prospect of invalidating laws ranging from the payment of taxes to compulsory vaccination laws, to drug laws, to land use laws, to laws against racial discrimination. Indeed, so broad is this bill that the federal version of this Act—before the U.S.+ Supreme Court struck it down as unconstitutional—was used in the Proposition 187 litigation to argue that Proposition 187 was invalid because it burdened religious tenets.

Ironically, this law is not only unnecessary in light of the existing California constitutional guarantee of the free exercise of religion (Cal. Const., Art. I, §4), but more importantly, it threatens law enforcement, is unworkable, and is of doubtful constitutionality.

1. Background

The bill is largely a response to two U.S. Supreme Court decisions. In 1990, in *Employment Division* v. *Smith*, 494 U.S. 872 (1990), the U.S. Supreme Court, in a decision delivered by Justice Scalia, upheld an Oregon criminal law which prohibited the possession of controlled substances, including peyote, against a challenge under the Free

Exercise Clause of the First Amendment, and therefore ruled that Oregon could deny unemployment benefits to persons dismissed from their jobs because of their religiously inspired use of an illegal drug, peyote. The Court declined to require that a facially neutral criminal law that burdened a religious practice—ingesting peyote for sacramental purposes—had to be justified by a compelling governmental interest. Instead, it ruled that ''[t]o make an individual's obligation to obey such a law contingent upon the law's coincidence with his religious beliefs, except where the State's interest is 'compelling' . . . contradicts both constitutional tradition and common sense.'' 494 U.S. at 885.

The Court observed that ''[a]ny society adopting such a system would be courting anarchy, but that danger increases in direct proportion to the society's diversity of religious beliefs.'' It concluded that ''we cannot afford the luxury of deeming presumptively invalid, as applied to the religious objector, any regulation of conduct that does not protect an interest of the highest order.'' 494 U.S. at 888.

The Congress enacted the Religious Freedom Restoration Act of 1993 in response to the Supreme Court's decision in *Employment Division* v. *Smith.* That Act—like the bill here—seeks to prohibit government from substantially burdening a person's exercise of religion unless the application of the burden furthers a compelling governmental interest by the least restrictive means.

In June, 1997, the U.S. Supreme Court struck down the Religious Freedom Restoration Act in *City of Boerne* v. *Flores* on the grounds that Congress did not have authority under Section 5 of the Fourteenth Amendment to enact such a law. The California Legislature has now passed this bill to enact the federal Religious Freedom Restoration Act at the state level and to establish the compelling interest test rejected in *Employment Division* v. *Smith.*

II. The Act is Unnecessary

This bill, to the extent it seeks to restore the compelling interest test rejected in *Employment Division* v. *Smith,* is unnecessary.

The protections guaranteed under the California Constitution's free exercise clause in Article I, section 4 are independent of those safeguarded under the First Amendment. *See* Cal. Const., Article I, section 24.

And the California Supreme Court confirmed two years ago that the California courts have construed the California Constitution's free exercise clause ''to afford the same protection for religious exercise as the Federal Constitution before *Employment Division* v. *Smith, supra,* 494 U.S. 872.'' [Emphasis added.] (*See Smith* v. *Fair Employment and Housing Commission,* 12 Cal. 4th 1143, 1177 (1996).) Accordingly, the primary concern of proponents of this bill—the abandonment of a compelling interest test—is unwarranted.

Unfortunately, this bill would go further than the compelling interest test utilized by the courts before *Employment Division* v. *Smith* and would create a means to challenge facially neutral laws by prisoners, criminal defendants, and others.

III. The Bill Creates An Unworkable Standard That Would Engender Litigation by Prisoners, Criminal Defendants and Others

Under the bill, any facially neutral law, regulation, ordinance, or other governmental action could not be applied to substantially burden

a person's exercise of religion unless the government demonstrates that the burden (1) furthers a compelling governmental interest and (2) is the least restrictive means of furthering that interest. However, the test is uncertain and will result in the invalidation of laws preserving public safety and welfare:

- First, judicial decisions do not offer a generally applicable definition of ''substantial burden,'' *See, e.g., Smith* v. *Fair Employment and Housing Commission* 12 Cal. 4th 1150, 1169 (1996). Application of this test will be uncertain.
- Second, the U.S. Supreme Court has warned that the bill's requirement that laws be the ''least restrictive means'' of furthering a compelling interest adds ''a requirement that was not used in the pre-[*Employment Division* v.] *Smith* jurisprudence'' that this bill purports to codify. *See City of Boerne* v. *Flores,* 117 S.Ct. 2157, 138 L.Ed.2nd 624, 648 (1997). Thus, this bill goes beyond the constitutional protections for religion that its supporters believed they are restoring.

Unfortunately, the ''least restrictive means'' requirement would open the door for constitutional challenges by prisoners to laws and regulations, which challenges are currently denied under the Supreme Court's decision in *Turner* v. *Safley,* 482 U.S. 78, 90 (1987). That decision specifically ruled that a prison regulation that impinges on inmates' constitutional rights ''is valid if it is reasonably related to legitimate penological interests.'' *Id.* at 89. The Court emphasized that this is ''not a 'least restrictive alternative' test: prison officials do not have to set up and then shoot down every conceivable alternative method of accommodating the claimant's constitutional complaint.'' *Id.* at 90–91.

By invalidating any facially neutral law or regulation which substantially burdens a person's exercise of religion unless the government demonstrates that the law or regulation is the least restrictive means of furthering a compelling governmental interest, correction officials can and will be sued over a variety of facially neutral laws and regulations by prisoners who claim that alcohol, a specific diet, sacred knives, conjugal visits, and satanic bibles are all part of their free exercise of religion.

Likewise, under the bill, criminal defendants could raise religious objections to drug laws, seek to justify domestic violence based on a purported religious belief that wives should be submissive to their husbands, and could seek to resurrect the diminished capacity defense for defendants who are under the influence of drugs when they commit crimes. In each case, the State would have to show that these criminal laws are the ''least restrictive means'' of furthering its compelling interests in these laws. While no one can predict the outcome of these challenges, we can predict that law enforcement will be thwarted, delayed, and consumed in litigation.

For these reasons, the bill has been strongly opposed by sheriffs, police chiefs, peace officers, corrections officials, and prosecutors.

IV. The Bill Transfers Legislative Responsibilities to the Judiciary And Is Constitutionally Suspect

Although it is not a constitutional amendment, this bill would establish a statutory test of invalidity, which the courts could use to restrict or invalidate laws enacted by the Legislature, ''whether adopted before or after the effective date of this chapter.'' In essence, instead of each Legislature addressing the issue of religious accommodation on a bill-by-bill basis, the bill would transfer from the Legislature to the judiciary the determination of whether a law—which meets the test for protecting religious freedom under the U.S. and California Constitutions—should be restricted further, or invalidated, because it fails to meet the ''compelling interest/least restrictive means'' test established by this proposed statute.

In short, one statute will restrict, depending upon the judgment of a court—the scope of a subsequent statute passed by a majority of the people's representatives and signed by the Governor. This places in the court the power to amend statutes, and therefore raises serious separation of powers concerns under Article III, section 3 of the California Constitution since the judiciary may not amend statutes.

V. Conclusion

Few rights are as important in America, or epitomize America's values, as the right to freedom of religion. Both the U.S. and California Constitutions guarantee that right. But this bill, as it is drafted, goes beyond those guarantees and sets a test many laws would fail, engendering litigation by prisoners and criminal defendants who would claim that the laws which protect us and preserve order burden their religious beliefs. It would weaken prison regulations and law enforcement with costly lawsuits seeking to subordinate our criminal laws to criminal defendants' supposed religious beliefs. Those literally doing the Lord's work through prison ministries have urged that I sign the bill and seek subsequent enactment of a state analogue to the federal Prison Litigation Reform Act. They have generously offered to help move such a bill through the Legislature. I value their offer of assistance (and totally agree with the need for prison litigation reform), just as I value and endorse the work prison ministries do in our prisons where it is so critically needed. Prison officials should be strongly encouraged to welcome their efforts. But the concerns occasioned by AB 1617 argue that the restraints of such a prisoner litigation reform act should first be in place to protect against the abuses by California's activist prisoner rights bar that this bill might otherwise invite.

And prisoner litigation reform, were it in place, does not address the problem of criminal defendants not yet in prison who assert a religious basis for criminal conduct as a defense in order to stay out.

Moreover, the bill raises a serious constitutional objection that it invites the Legislature to violate the Separation of Powers Doctrine by abandoning its responsibility to consider accommodations for religious freedom on a bill-by-bill basis. Instead, through this bill, the Legislature would put in the hands of private litigants and the courts the decision whether to restrict or invalidate perfectly valid laws—laws which comply with the constitutional right to freedom of religion—on the grounds that they nonetheless impinge on conduct which is claimed to be substantially motivated by religious beliefs. Rather than establishing a test which risks the unintended and wholesale invalidation of perfectly

valid laws that protect our safety and welfare, the Legislature should decide on a bill-by-bill basis whether and how to accommodate conduct motivated by religious concerns. As much as I treasure the religious freedom that is our nation's heritage, I cannot in good conscience sign this bill.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 28th day of September 1998, at 5:57 p.m., of Assembly Bill No. 1617, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

HUGH R. SLAYDEN
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 96

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 96 without my signature.

This bill would make the North Coast Railroad Authority (NCRA) eligible for various transportation funds, including the State Transportation Improvement Program (STIP) fund, and make the NCRA eligible for funding from both interregional and regional funds. The NCRA would also be eligible for Public Transportation Account funding for planning purposes.

California's State Highway Account, derived from state gasoline taxes, is appropriately reserved for street and highway funding, as well as passenger rail service. This bill inappropriately provides the NCRA, a freight rail line, access to funding from the State Highway Account.

The NCRA must have stronger financial support for capital improvements and maintenance from local government and the business community to be sustained as a viable operation. I recognize that the railroad plays an important role in the economy of the northwest region, but this endeavor should not be the sole responsibility, or even the central responsibility, of state government.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1136

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1136 without my signature.

This bill would require state and local public entities that have been granted authority to utilize design-build for public works projects to report to the Legislature before December 31, 2001 specific information on each public works project procured through the design-build process.

Over the past few years, I have signed eight separate bills that have allowed, on a limited basis, the design-build process for the construction of specified state office buildings, local government projects, and transportation projects. The design-build process has proven to be a cost

effective, efficient tool widely used by the private sector, and California universities, as well as several State departments. Rather than burdening local public entities with mandated reporting requirements, the author should focus on expanding to all state and local projects this important contracting tool.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2215

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2215 without my signature.

This bill would make various programmatic and policy changes as well as technical nonsubstantive changes to the Education Code.

This bill was intended to be the Department of Education's annual technical clean-up measure which is intended for the sole purpose of clarifying and correcting references in the Education Code. However, I cannot sign this bill because it goes beyond the intent of technical clean up and makes several substantive policy changes that were not agreed to by my Administration and were not openly discussed in any policy arena. In fact, requests to remove the non-technical sections were ignored. This lack of responsiveness represents a breach of a long-standing tradition that the annual clean-up bill contain only noncontroversial changes to the Education Code.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2429

Governor's Office, Sacramento
September 28, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2429 without my signature.

This bill would require the Chancellor's Office of the California Community Colleges to award grants to community college districts to develop curriculum and pilot programs that provide training in multimedia, biotechnology, high-technology and specified nursing specialties.

This bill duplicates the efforts of the existing Economic Development Program within the community colleges. That program was designed to provide flexibility to accommodate training needs as determined by the Chancellor's Office and local districts. While I recognize that the fields identified in this bill are important, I cannot support earmarking funds for specific fields because it overrides the existing process that is better able to respond to shifting demands for industry-related training. Further, existing law is flexible enough to meet the goals of this legislation and, in fact, includes biotechnology and competitive technology in the list of priority areas for the existing economic development program.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 29th day of September 1998, at 3:19 p.m., of Assembly Bills Nos. 96, 1136, 2215, and 2429, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 15

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 15 without my signature.

This bill would require employers who provide sick leave benefits to their employees to permit those employees to use up to fifty percent of their sick leave to care of their ill child. This bill would also prohibit and penalize employers from taking discriminatory action against employees using sick leave for that purpose.

This bill substantially limits an employer's right to design benefit programs that meet both the needs of the employees, as well as the economic requirements of the business. Since neither state nor federal law requires employers to provide sick leave benefits to their employees, this bill would discourage employers, not currently offering sick leave benefits, from doing so in the future. Moreover, this measure may act as a disincentive for those employers who currently provide sick leave benefits, to continue them in the future.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 146

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 146 without my signature.

This bill would provide uncodified legislative intent language that the members of the Downey City Council may attend any open or closed meeting of the Downey community Hospital Foundation. This bill would provide that the attendance of less than a quorum of the Downey City Council members at such a meeting shall not be a standing committee of the city council as defined by the Brown Act.

This bill represents an unnecessary intrusion by the Legislature into a contract dispute between the Downey Community Hospital and the City of Downey. The issue of whether the existing contract allows ex officio members to participate in closed meetings is a dispute more appropriately resolved by affected parties, or if no such resolution is possible, the courts.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 332

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 332 without my signature.

This bill would provide that any decision or recommendation regarding the necessity or appropriateness of treatment constitutes the practice of a healing arts profession and limits the applicability of the Medical Insurance Reform Act (MICRA). The bill would also require the clinical guidelines used by health care service plans be available to the public upon request. Finally, the bill would require health plans to physically examine certain patients before concluding that a requested treatment was not medically necessary or appropriate.

This bill is a transparent effort to eliminate the appropriate use of utilization review and a bald attempt to increase the number of lawsuits in the health care system. The cumulative impact of these various provisions will only increase health care costs while doing little to improve the quality of health care. We should focus our efforts on reforming the managed health care system instead of dismantling it and placing health insurance coverage beyond the means of working class families.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 423

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 423 without my signature.

This bill would require the Department of Alcohol and Drug Programs to create a pilot project in Los Angeles, Sacramento, and Yolo counties to address the needs of women incarcerated in county jails with a history of substance abuse or illegal drug activity. The bill would appropriate $105,000 for this purpose.

The Department of Alcohol and Drug Programs has already funded and evaluated several pilot projects which provided such services. These projects identified treatment models that can be used in any county interested in the development of similar projects. Similar studies are not necessary. Numerous federal funds are available for counties for various substance abuse prevention programs.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 462

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly.

I am returning Assembly Bill No. 462 without my signature:

This bill would, among other provisions, remove the Uninsured Employers' Fund (UEF) exemption from liability for the payment of

penalties and interest charges due to late payment of workers' compensation claims.

Under current law, the UEF is administered by the Director of Industrial Relations (DIR) and provides workers' compensation benefits to workers of uninsured employers who do not have the resources to pay the benefits. The DIR attempts to recover the costs of the benefits from those uninsured employers. However, the benefits paid from the UEF primarily come from the state General Fund.

While I am supportive of efforts to improve the timely payment of workers' compensation benefits to injured employees, this bill would unfairly subject the UEF to penalties and interest charges. As the remedy of last resort, the UEF handles the most troublesome workers' compensation cases, which makes it difficult for the UEF to pay claims within the same time frames allowed other parties. This bill would penalize the UEF and increase the costs to the state General Fund for the failure of employers to properly maintain workers' compensation liability insurance. That is inappropriate.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 468

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 468 without my signature.

This bill would make numerous changes to the current California Beverage Container and Litter Reduction Act. The bill would increase fees paid by consumers, decrease fees paid by manufacturers, and increase appropriations to the Department of Conservation for payments to participants for handling fees, curbside programs, and conservation corps grants. In addition, this bill would provide funds for a curbside recycling pilot program in the City of San Diego.

The signature message of SB 1178 three years ago requested the State Legislature to enact significant and substantive market-based reforms to the Beverage Container Recycling Program when it next considered changes to that program. This bill not only lacks such reforms, it actually increases many of the most egregious subsidies and inequities of the current program.

Instead, the Legislature sent me AB 468, which raises the costs on consumers by at least $12.5 million annually by imposing a new five cent deposit on 20 oz. containers. The increased costs and existing surpluses are then used to increase subsidies to various participants in the program. That means a six pack of soda will now cost 15 cents more, and the program will be no better. It is difficult to understand why the Legislature increased subsidies for a program that is already operating with a significant surplus, only to distribute the new subsidies and the surplus in a similar manner designed to bankrupt the program within three to four years—and for a program that recovers only 22% of all the glass and plastic that is recycled in California. Scrap dealers—who recover 66% and receive no subsidy—rightly complain that the law unfairly discriminates in favor of their competitors.

This Administration has consistently sought reform to this program in four major areas: reducing inequitable subsidies and fees; increasing

consumer convenience and enabling the consumer to drive recycling rates higher, removing the impetus to significantly alter the program on a triennial basis; and eliminating the burgeoning Beverage Container Recycling and Litter Reduction Fund surpluses permanently. This bill would accomplish none of these important goals. To the contrary, it continues and increases inequitable subsidies without even requiring additional actions to justify them.

The bill also sets a terrible precedent of pork-barreling the fees to be paid for curbside recycling. The author has allocated 60% of all such funding for the entire state to activities within his district.

This veto should come as no surprise to anyone. While I deeply regret the financial discomfort this action may place upon certain California manufacturers, implementation of this bill would cost consumers an additional $12 million annually. The Legislature should act quickly to approve legislation which actually removes inequitable subsidies, eases the onerous processing fees paid by manufacturers, and enacts significant market-based reforms to encourage higher recycling rates.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 750

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 750 without my signature.

This bill would permit a public agency to enter into a competitively bid public works contract when a bid protest is made, pending the final decision on the protest. The bill would also provide that, if the contract is later determined to be invalid due to a defect or defects in the competitive bidding process, the contractor can be paid reasonable costs, as specified, for services performed if four conditions are met:

- The contractor proceeded with construction, alteration or repair based upon a good faith belief that the contract was valid;
- The public entity has determined that the work was performed satisfactorily;
- Contractor fraud did not occur in obtaining the contract or in the performance of the contractor; and
- The contract does not otherwise violate statutory or constitutional limitations.

While I am supportive of providing fair payment to contractors who proceed in good faith to work on a contract, the remedy offered by AB 750 may be worse than the affliction it seeks to address. The sponsors of this measure have cited only two court decisions in the last 60 years, which left open the question of how or if contractors would be compensated when their contracts were voided. Yet there are many cases where the court has vacated contracts, and within the decision allow for reasonable compensation. Further, in the two cases where the right to compensation was undermined, the public agencies acted equitably and declined to file suit to recover monies that were previously paid to contractors. Under the provisions of this bill, those

same agencies would be required to seek disgorgement of any profit the contractor received even if construction were completed.

Accordingly, the bill would appear to respond to a problem that has not yet materialized while ensuring that informal remedies which have worked in the past are replaced by a rigid and arguably unconstitutional statutory standard. AB 750 is, at best, premature.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 818

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 818 without my signature.

This bill would require health plans to ensure that enrollees that are infected with HIV are afforded care consistent with current federal guidelines relating to the treatment of HIV. This bill also requires health plans to inform enrollees as to what steps, if any, the plan has taken to provide referral to physician practices that have substantial experience in the treatment of HIV. The bill would require the Department of Health Services to establish risk-adjusted capitated rates for managed care plans based on HIV-related treatment costs.

This bill is unnecessary. Existing law already requires that health plans provide health care services consistent with good professional practice standards. Additionally, the Department often does risk-adjusted rates taking into account many factors including age, sex, high cost of AIDS drug and treatment costs. Establishment of an illness-based rate is contrary to the principles of managed care and could result in violation of federal law related to rate setting methodology.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1052

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1052 without my signature.

This bill would require that drugs approved by the federal Food and Drug Administration for the treatment of acquired immune deficiency syndrome (AIDS) or human immunodeficiency virus (HIV) be added to the drug formularies of Medi-Cal managed care plans.

The Department of Health Services already makes available through either Medi-Cal managed care plans or the Medi-Cal fee-for-service program all drugs approved by the federal Food and Drug Administration for the treatment of persons infected with AIDS or HIV. This practice allows the department to respond immediately to the release of any new drugs approved for this disease. Although the intent of this bill was to codify existing practice, this bill creates new processes

and policies not now employed by the Department. These processes could delay access to new approved drugs.

This bill, while well intended, would have the opposite effect of its intended goal.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1059

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1059 without my signature.

This bill would require health care service plans and disability insurers that provide health insurance benefits to employers to offer coverage for domestic partners of employees.

Domestic partner health benefit coverage is an issue that is more appropriately left to negotiations between employers and employees. This coverage is available for both large and small employers who wish to provide the benefit, as evidenced by the many employers who choose to do so.

This bill would also increase the cost of health insurance. No definition for ''domestic partner'' is provided. Accordingly, almost any person living with a covered employee would be eligible for benefits. Coverage would not only be extended to the relationships contemplated by the author, but also to roommates and heterosexual couples who live together but do not marry. This will increase the cost of insurance because premium rates for dependent coverage are based on stable family relationships. The lack of a definition for ''domestic partner'' lends itself to instability, fraud and adverse selection.

Most importantly, this bill is clearly only the beginning of the domestic partnership debate. Enactment of this bill would likely result in more extravagant domestic partner legislation that uses these insurance coverage provisions as a precedent for ''domestic partner'' rights which are currently allowed for only traditional family members.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1070

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1070 without my signature.

AB 1070 would prohibit a public agency from requiring contractual indemnity provisions in a public works contract which requires design professionals, including engineers and architects, to defend, indemnify, or hold harmless the public agency from any liability, damages, and litigation costs, including attorney's fees, except for damages and liabilities caused by the negligence, recklessness, or willful misconduct of the design professional.

Current law, Civil Code section 2782, does not permit public agencies to require contractors or design professionals to indemnity the public agency in a construction contract against liability for damages arising from the sole negligence or willful misconduct attributable to the

public entity. This bill would further limit public agencies by prohibiting the public agency from requiring design professionals in a construction contract to agree to indemnify the public agency against liability for the design professional's own errors and omissions which do not rise to the level of negligence, recklessness, or willful misconduct.

No design is likely to be perfect. The law acknowledges that some errors or omissions will occur in the work of even the most competent professional. Such imperfection does not necessarily constitute negligence, but sometimes results in additional public costs. When addressing liability for what may be described as innocent mistakes, it does not appear to be an affront to common decency for the parties to contractually agree to shift the burden of responsibility for correcting these errors to the design professional who created them. At the very least, the State should exercise caution before declaring that such agreements are contrary to public policy in all circumstances. Design professionals and public agencies should have the contractual flexibility to negotiate agreements allocating risk between themselves without undue statutory impediments.

Indeed, last year, in response to concerns that design professionals did not have ample opportunity to consider the terms of public works indemnification agreements, I signed AB 994 (Sweeney, ch. 722, 1997), which provides that in contracts for architectural design services over $10,000, any indemnification clause must be disclosed in the request for bids and set forth in bold type. This bill, addressing the same concern, was introduced before AB 994 became operative, on July 1 of this year and is, at best, premature.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1712

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1712 without my signature.

This bill would validate the property tax allocation to the Educational Revenue Augmentation Fund (ERAF) from four fire districts in Santa Clara County in fiscal years 1993–94 through 1996–97, inclusive, and the misallocation from one library district in San Joaquin County in 1992–93.

The allocation errors in Santa Clara County were discovered by an internal audit and have been corrected prospectively. Without legislative relief, the affected fire districts must repay the ERAF approximately $11 million. While I am not unsympathetic to the impact this miscalculation will have on the affected fire districts, I am generally opposed to the forgiveness of audit exceptions in property tax allocation audits. However, I have directed the Department of Finance to negotiate a repayment schedule that will not impair the ability of the affected fire districts to continue to deliver their vital public safety services without undue hardship.

I am less sympathetic to the provision affecting San Joaquin County. It is my understanding that the misallocation of property taxes from this library district was fixed in 1993–94 on a prospective basis. However,

the county chose not to correct the 1992–93 amount of $291,000. Forgiveness is not a proper response for intentional wrongdoing.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1748

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1748 without my signature.

This bill would establish the California Osteoporosis Prevention and Treatment Education Program within the Department of Health Services for purposes of informing and educating the public about osteoporosis. The bill would appropriate $250,000 for the Program.

Osteoporosis is a serious, under-recognized public health problem. Only 23 percent of those afflicted are aware of their condition. However, the $250,000 appropriation is clearly inadequate for the comprehensive nature of this Program. In addition, the Department already has the authority to establish an osteoporosis prevention and treatment education program. Accordingly, I am directing the department to explore developing an osteoporosis treatment and education program. Adequate funding should be obtained through the annual budget process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1870

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1870 without my signature.

This bill would require employers to allow employees to use up to two weeks of Family Rights Act leave to care for a child who is unable to attend school or day care for health reasons.

The California Family Rights Act (CFRA), legislation that I signed into law, provides qualifying employees with up to l2 weeks of leave per year for their own ''serious health condition,'' to care for a parent, spouse or child who has a ''serious health condition,'' or to give birth to or bond with a newborn or adopted child.

This bill would amend the CFRA to allow qualifying employees to use two of the 12 weeks to stay home with a child who suffers from a routine childhood illness.

While I support family values and empathize with the challenges faced by working parents, this bill would expand the CFRA well beyond its original scope. CFRA was intended to provide job protections to parents of **seriously or terminally ill** children to alleviate the burden of having to choose between salvaging their job and caring for a child under horrific circumstances. This bill would place an onerous burden on business by requiring qualifying employers, in essence, to provide an alternate form of day care when an employee's child does not meet the school's health standards for attendance. While I encourage employers to voluntarily provide time off to parents whose children catch routine

colds and flus, it would be unfair to impose such a requirement on businesses that face their own set of challenges.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1873

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1873 without my signature.

This bill would require the Department of Health Services to establish a Type 1 Diabetes working group charged with developing an integrated treatment program for children with diabetes.

Given the work already underway in the Department, and the current authority vested in the Director to undertake appropriate actions related to diabetes management, this bill is unnecessary.

The Department of Health Services currently administers a Diabetes Control Program which provides diabetes surveillance, education and explores appropriate avenues for improving diabetes statewide. This program also has the ability to bring in experts as necessary to obtain expertise in diabetes diagnosis, treatment or education. The Department of Health Services is also conducting a project to demonstrate the effectiveness of intensive case management of the Medi-Cal population. Initial findings indicate high success with the proper management of patients with diabetes.

Over 15,000 children in California are diagnosed with Type I diabetes. The average lifetime cost for a child diagnosed at age three is $600,000. The cost to their quality of life, however, cannot be measured. Therefore, I am directing the department to convene appropriate experts to explore public and private strategies that can be implemented to reduce the burden of diabetes in California.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1911

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1911 without my signature.

This bill would provide that emergency services and care are deemed medically necessary and covered under the Medi-Cal program without prior authorization.

The Medi-Cal program already covers emergency services without prior authorization if the provider later establishes the emergency services are medically necessary. This bill would prevent the Medi-Cal Program from ensuring that only medically necessary emergency services are provided and will result in substantial General Fund cost increases. In 1997, more than $41 million in medically unnecessary services were identified. An appeal process is currently available to ensure that providers are properly reimbursed.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2105

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2105 without my signature.

This bill would establish a Department of Water Resources Emergency Subaccount in the Disaster Response-Emergency Operations Account (DREOA), and would transfer $5 million from the Reserve for Economic Uncertainties (General Fund) to the Subaccount. This bill would extend the DREOA sunset date from July 1, 2000 to July 1, 2010, and would authorize the Department of Water Resources (DWR) to encourage, review and use flood-fighting plans developed by local agencies.

Under the Natural Disaster Assistance Act (Government Code 8645 et seq.), the Director of Finance is authorized to allocate funds from the DREOA to state agencies for disaster operation costs incurred as a result of a Gubernatorial declaration of emergency. Those funds are available to fund activities related to any natural disaster. The creation of a separate fund specifically for flood control related activities is unnecessary, and would not result in faster deployment of State resources to aid local agencies.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2183

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2183 without my signature.

This bill would expand the definition of an intermediate care facility/developmentally disabled-nursing (ICF/DD-N) to include facilities that provide nursing supervision and treatment for persons with developmental disabilities requiring continuous care. It also would require the Department of Health Services to develop Medi-Cal ICF/DD-N rates for this new level of service.

This bill is premature. The 1998 budget contains provisions for conducting research to create a new regulatory framework and rate structure that will assure delivery of necessary levels of nursing and habilitative services in these types of facilities. Until this research is completed, it is difficult to judge whether an ICF/DD-N will provide the level of monitoring or direct care necessary to best serve the needs of individuals who require continuous care.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2404

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2404 without my signature.

This bill would Enact the Sea Life Conservation Act, which would require the Department of Fish and Game (Department) to prepare, or contract for the preparation of a study that identifies necessary modifications to existing marine managed areas (MMAs) and sea life reserves. The bill would require the Fish and Game Commission (Commission), on or before January 1, 2002, to adopt a plan to redesign and manage California's MMA's, following submission of the plan to the Joint Committee on Fisheries and Aquaculture for their review and comment. Once the plan is adopted, the Commission would be vested with the authority to regulate the taking of fish for any purpose, including commercial fishing, within an MMA.

This bill is unnecessary. The Resources Agency is the lead agency for the Marine Managed Areas Project Interagency Workgroup, whose goal is to make recommendations for changes in the existing sea life reserve system. This intergovernmental/academic approach was recommended in California's Ocean Resources: an Agenda for the Future, the Administration's strategy for the protection and management of California's ocean ecosystem, released in March of 1997. This interdisciplinary group is in the process of completing a report containing recommendations to improve the existing system of MMAs to develop a more effective and efficient consolidated system. Duplicating existing activities should be avoided rather than required where they will serve no useful purpose.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2522

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2522 without my signature.

This bill would subject the state to specific provisions of the Labor Code governing the payment of overtime wages. This bill would also authorize the Department of Industrial Relations, Division of Labor Standards Enforcement to investigate violations of those provisions.

Current law exempts the state from the application of specified provisions of the Labor Code regarding the payment of overtime wages. Overtime pay is required, however, by the Fair Labor Standards Act (FLSA). Overtime pay provisions are also contained in collective bargaining agreements. The appropriate agency for the enforcement of overtime pay requirements under the FLSA is the United States Department of Labor, Wage and Hour Division, not the state Labor Commissioner's Office.

This bill unnecessarily creates conflicting authorities and duplicates existing remedies for the enforcement of overtime pay. In the event of overtime wage disputes, state employees may take advantage of remedies already available under the FLSA or through the grievance

procedures provided in their collective bargaining agreements. The legislative creation of multiple overlapping enforcement options is not the answer.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2592

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2592 without my signature.

This bill would establish the Breast Cancer Treatment Program within the Department of Health Services to provide breast cancer treatment services to uninsured and underinsured women with incomes at or below 200 percent of the federal poverty level. The bill would also allow Program funds to be used to subsidize premiums for participants in the Major Risk Medical Insurance Program (MRMIP) in lieu of treatment provided by the Program.

Funding for this program was deleted from the 1998–99 Budget Act because it represented the first use of General Fund monies to provide breast cancer treatment services to women above entitlement-income thresholds for Medi-Cal. The augmentation would have been insufficient to address the anticipated program costs or to keep pace with treatment demands if the programs were so expanded. Similarly, this bill would expand these services above entitlement-income thresholds for Medi-Cal and would create General Fund pressure to keep pace with expanding treatment demands.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2598

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2598 without my signature.

This bill would establish the Foster Children's Health Care Services Act to provide a comprehensive foster care Medi-Cal benefit package and make various changes to Medi-Cal eligibility for foster children. The bill would also require the Health and Welfare Agency to coordinate services for foster children including creating an Interagency Coordination Council for Foster Care.

Medical care is currently available to all foster care children through a county eligibility process that is required by federal law to be completed within 45 days. The need for urgent medical attention is also available immediately with an ''immediate need'' Medi-Cal card.

I appreciate the need for special attention to the health care needs of this group of vulnerable children, but I do not believe that this bill will significantly improve existing procedures. The Departments of Social Services, Health Services and Mental Health should continue to work together to ensure the county welfare departments, foster care parents and caregivers are provided all the necessary information to take

advantage of the existing benefits available to foster children to ensure they receive medical care in a timely manner.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2739

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2739 without my signature.

This bill would authorize a public entity to require each prospective bidder for a public works contract to complete both a standardized questionnaire and financial statement and would define the term ''responsible bidder'' for public works contract purposes.

While I agree that the provisions in this bill might eliminate some ambiguity in existing public works contracting law as it relates to responsible bidders, this bill has the possibility of limiting the number of otherwise qualified contractors bidding on public works contracts, potentially disadvantaging many small businesses and their employees. Since there has been no demonstrated problem with the current public works contracting process, the changes required by this bill appear unwarranted.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 30th day of September 1998, at 12:10 p.m., of Assembly Bills Nos. 15, 146, 332, 423, 462, 468, 750, 818, 1052, 1059, 1070, 1712, 1748, 1870, 1873, 1911, 2105, 2183, 2404, 2522, 2592, 2598, and 2739 without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

HUGH R. SLAYDEN
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 20

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 20 without my signature.

This bill would implement a federal optional Medicaid benefit, increasing the Medi-Cal income threshold to 250 percent of the federal poverty level for working disabled persons who must meet the federal definition of disabled and are otherwise Medi-Cal eligible.

Last year I vetoed a similar bill (AB 1099, Migden) because the expansion was not authorized by federal Medicaid law and thus would have created a state-only program. Since then, Congress passed the Balanced Budget Act of 1997 granting states the option of providing Medicaid to disabled working individuals who would not qualify otherwise.

While this bill would not expand a state-only program and the intent is consistent with my principles and policy of encouraging individuals to move from public assistance to work, the General Fund costs of this

program could be as high as $27 million. This estimate does not include the approximately 450,000 disabled individuals who are not currently connected to any federal or state health plan that could be eligible for this program. While it is unlikely that all those individuals would be eligible or interested in the program, the potential price tag of the program is staggering.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 424

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 424 without my signature.

This bill would create a scholarship program administered by the California Student Aid Commission for foster youth to attend a higher education institution.

Under current law, the California Student Aid Commission, California State University, and California Community Colleges provide college and financial aid outreach to emancipated foster youth in order to encourage and assist them in attending a higher education institution. Furthermore, there are substantial state and federal financial aid programs available to all financially needy students.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 209

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 209 without my signature.

This bill would appropriate $40,000 to establish a Drug Court Treatment Program pile project in the cites of Ontario and Rancho Cucamonga in San Bernardino County.

Earlier this day, I signed SB 1587 (Alpert), the Drug Court Partnership Act, which appropriates $4 million for grants to counties that develop and implement drug court programs. These grants are awarded on a competitive basis. San Bernardino County is encouraged to apply.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 805

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 805 without my signature.

This bill would appropriate $2,500,000 to the Department of Forestry and Fire Protection (CDF), to reestablish a minimum security conservation camp at Green Valley in Sacramento County.

While supportive of the conservation camp program, the need to reestablish this camp has not been demonstrated. Moreover, estimates

from both CDF and the Department of Corrections indicate that the reestablishment of this camp would cost between $3.9 and $4.5 million, with $1 million annual operating costs. Considering CDC's current need for maximum security prison beds, this measure is not necessary.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1110

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1110 without my signature

This bill would prohibit the Commission on Judicial Performance from investigating or imposing discipline on a judge ''solely on the basis of a judicial decision or an administrative act found to be incorrect legally'' or on the basis of ''[a] dissenting opinion in an appellate case which does not adhere to precedent set by a higher court . . . .'' Notwithstanding the foregoing, the bill also provides that it should not be ''construed to affect the application of any of the Canons of the California Code of Judicial Ethics,'' suggesting that the contradictory purpose of this bill is either to do nothing or to prohibit discipline of certain judicial actions which violate the Canons of the Code of Judicial Ethics

The bill is unconstitutional, largely unnecessary, overly broad, and an inappropriate effort to interfere with a single proceeding concerning a particular judge.

First and foremost, the bill is unconstitutional. Under the California Constitution, the Legislature is not authorized to restrict (or expand) the types of judicial conduct which constitute a basis for discipline. Proposition l90 was approved by the voters in 1994 and provided as part of Article VI, section 18 of the California Constitution that the ''Supreme Court shall make rules for the conduct of judges, both on and off the bench,'' and that the Commission on Judicial Performance may discipline a judge for willful misconduct, persistent failure or inability to perform the judge's duties, habitual intemperance in the use of intoxicants or drugs, conduct prejudicial to the administration of justice that brings the judicial office into disrepute, or improper action or dereliction of duty. *See* Cal. Const. Art. VI, sec. 18(m), (d). The Legislature has no authority to restrict the *constitutional* scope of misconduct under Article VI, section 18, or to restrict the Commission's power to discipline under that same article.

Under the Constitution, it is the Supreme Court that is to make rules for the conduct of judges, and it is the Commission that may discipline a judge for misconduct, which determination may be reviewed by the California Supreme Court. Where the judicial branch is to share power with the Legislature in promulgating rules, the Constitution has so stated, as in the case of the Judicial Council's right to adopt rules for court administration, practice and procedure. In that case, the Constitution provides that these rules shall ''not be inconsistent with statute.'' *See* Cal. Const. Art. VI, section 6. The Constitution does not provide a similar sharing of power here.

To those judges who support this bill because it reduces the scope of judicial acts subject to discipline, keep in mind that if the Legislature

has the authority to make such rules, it can just as easily make rules that expand the types of judicial acts subject to discipline, which can raise serious separation of powers issues.

Second, the bill is largely unnecessary. It would bar the Commission on Judicial Performance from imposing discipline ''on the basis of a judicial decision or an administrative act found to be incorrect legally'' or a dissenting opinion which does not adhere to the precedent set by a higher court. Canon l of the California Code of Judicial Ethics already provides that ''[a] judicial decision or administrative act later determined to be incorrect legally is not itself a violation of this Code.''

However, whereas the Code of Judicial Ethics provides that a judicial decision or administrative act later determined to be incorrect legally does not alone constitute a violation, this bill would appear to bar discipline for even those decisions or acts that are intentionally or knowingly incorrect. Thus, the bill is overbroad. For instance, the bill would appear to excuse a judge who acts well beyond his or her authority, such as directing a jury to return a guilty verdict in a criminal action, on the grounds that the judge cannot be disciplined for a legally incorrect decision—although the California Supreme Court has previously concluded that this constitutes willful misconduct. *See McCullough* v. *Commission on Judicial Performance,* 49 Cal.3d 186, 192 (1989).

Finally, this bill is an inappropriate effort to interfere with a single proceeding against a particular judge. This bill was a direct response to the institution of formal proceedings by the Commission on Judicial Performance concerning Justice J. Anthony Kline's conscious refusal in the case of *Morrow* v. *Hood Communications, Inc.,* 59 Cal. App. 4th 924, 927 (1997), to adhere to a precedent established by the California Supreme Court. In his dissenting opinion in *Morrow,* Justice Kline stated that he could not ''as a matter of conscience apply the rule announced [by the California Supreme Court] in *Neary* [v. *Regents of the University of California,* 3 Cal. 4th 273 (1992)],'' which permitted parties to stipulate to a reversal of a trial court judgment. A spirited debate, particularly in the legal and judicial community, has followed the institution of formal proceedings by the Commission However, it should be clear that the issue which has given rise to this bill is not a simple error in legal analysis, but a willful decision by a lower court judge to refuse to comply with the law established by a higher court. The sponsors of this bill apparently believe that the proposed legislation will protect Justice Kline because Justice Kline has publicly argued that his willful refusal to comply with the law constitutes at most an error of law over whether the law permits a willful refusal to follow the law under the circumstances here. Whether this refusal rises to the level of misconduct or warrants any form of discipline must be left to the Commission's proceedings, and possibly the California Supreme Court, but this issue—which goes to the heart of the role of an inferior court judge in our judiciary—should not be shortcut by an unconstitutional enactment.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1469

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1469 without my signature.

This bill would enact the Taxpayer Bill of Rights which conforms to a number of provisions of recently enacted federal legislation.

While I am supportive of most of the provisions of this bill, I cannot support at this time one section which will alter the water's edge determination for multinational corporations. This provision was added to the bill late in the legislative session, with little or no policy debate. It could have a negative affect on the California business community, and has the potential to result in a tax increase.

I call on the Legislature to move swiftly next year to enact the Taxpayer Bill of Rights, and to fully evaluate and debate the water's edge provision.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1596

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1596 without my signature.

This bill would include specified classifications, including criminalists and latent print analysts at the Department of Justice, in the state safety retirement membership category.

Current law requires a determination that the duties of a classification meet the requisite criteria for safety retirement and that this enhanced benefit be agreed to in collective bargaining. Neither condition has occurred.

Although the state and the employee organization have been engaged in collective bargaining for over three years, this issue has never been proposed. Moreover, neither the employee organization nor the Department of Justice has asked the state to study these classifications for inclusion in safety retirement.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1663

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1663 without my signature.

This bill would enact a statewide public health reporting system for Human Immunodeficiency Virus (HIV) using a unique identifier method that does not report the name or any other identifying information about the person infected. This bill would also increase

civil penalties for violating existing confidentiality laws related to Acquired Immunodeficiency Syndrome (AIDS) and HIV public records.

California is one of only nine states that does not track HIV infection. California law, however, does require that persons with AIDS, and approximately 80 other diseases, be reported by name to the Local Health Officer.

Tracking the HIV/AIDS epidemic using only AIDS case data tells us where the epidemic was ten years ago, but not what is currently happening or where the epidemic is headed. The new AIDS drugs are delaying the onset of AIDS and thus delaying AIDS case-based epidemiological information. In contrast, HIV infection reporting would provide far more timely information about where and how new infections are occurring so that education and prevention efforts can be effectively targeted at high-risk populations and communities. Furthermore, HIV reporting would give a much better estimate of the population in need of care and treatment services, especially for those who have yet to develop AIDS.

Public health officials and physicians are divided on the best way to report HIV infection. The author and supporters of this measure argue that reporting HIV test results by name will deter individuals from seeking testing or medical care. However, The National Centers for Disease Control (CDC) found that HIV name based reporting systems resulted in less than a 2 percent decline in the number of those seeking HIV testing.

Concerns over confidentiality and discrimination should not be used to justify an inadequate reporting system. Existing law ensures confidentiality and protects those with HIV or AIDS from discrimination. Health and Safety Code Section 120980 provides that the result of an HIV test may not be disclosed to any third party absent written authorization. The California Fair Employment and Housing Act and regulations prohibit discrimination in employment or housing. The Unruh Civil Rights Act prohibits discrimination by business establishments and discrimination in the use of public accommodations. Most importantly, Health and Safety Code Section 120980 prohibits using the results of an HIV test for determining an individual's eligibility for employment. Thus, any further concerns over privacy and discrimination do not warrant designing a reporting system that does not adequately provide for partner notification. Irrational concerns over privacy should not interfere with what must be our highest priority, interrupting the chain of HIV transmission.

Thirty states are successfully using a name based HIV reporting system while only two states, Maryland and Texas, use a unique identifier based system similar to this bill. The CDC found that the Maryland and Texas systems had so many inaccurate and incomplete reports that it was difficult to obtain useful data and to trace and notify partners of possible HIV infection. As a result of these significant defects, Texas is abandoning its unique identifier based system in favor of a name based HIV reporting system.

California is now experiencing a dramatic increase in HIV infections among lower-income and minority women. These are preventable infections resulting from partner contact and intravenous drug use. We know, from our experience with the 80 other reportable, communicable diseases, that we can minimize the exposure and deaths resulting from

this terrifying disease. We must not ignore the experience of 30 other states and implement an inadequate HIV reporting system that, in the end, will result in tragic consequences.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1687

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1687 without my signature.

This bill would require any school district that applies for funding under the Leroy F. Greene Act of 1998 for the construction or modernization of a school building to include an automatic fire detection and alarm system.

All school sites are currently required to have fire alarm systems. To ensure that funding is available for both the construction of new schools, and modernization of older schools, I recently signed Senate Bill 50, a comprehensive school facilities bond and building program reform measure. For new schools, school districts will be able to choose from all available technology, the best fire detection and alarm systems. For older schools, districts will have to ensure the existing detection systems are properly updated or replaced. And the new school building program provided by SB 50 will provide districts with greater local decision making and control over the design and construction of school building projects. Districts now will receive a block grant for school construction, which will allow districts to use school building funds for fire safety improvements, which could include the fire safety systems proposed in this bill.

While I encourage all districts to install the most effective fire detection systems as part of new school construction and modernization, I believe that the state role is to provide districts with financial assistance so that they can use funds to best meet priorities as determined locally.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1724

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1724 without my signature.

This bill would require the Department of Social Services to establish a three-year pilot project to test the efficiency and cost effectiveness of an alternative group home program structure for up to 600 children in need of specialized services.

Consistent with my concerns about the foster care program, the Health and Welfare Agency, in cooperation with the Department of Social Services and other various stakeholders, are in the process of re-examining the role of group care in order to develop requirements that will ensure children are placed in permanent and stable environments while meeting their special needs. This process will also result in assessing the rate structure for the group homes. The results of

this re-examination is expected to be released by April, 1999 with the goal that the proposal can be implemented in the budget. The Department of Social Services is also implementing the Child Welfare Demonstration Project recently approved by the federal Department of Health and Human Services for innovative services for children that will include group homes.

This bill addresses goals similar to the activities already underway but also creates a potential General Fund liability by allowing a county to implement a project without cost controls with the state responsible for over expenditures.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1738

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1738 without my signature.

This bill would require the Director of the Office of Emergency Services to administer a competitive contracting process for selection of an entity to serve as the state's Disaster Mitigation Center for a three-year period. This bill appropriates $1 million from the General Fund for funding the bill in 1998–99, contingent upon the receipt of $1.5 million in federal matching funds.

Notwithstanding the merits of this bill, it is more critical that the State have a two percent reserve.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1864

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1864 without my signature.

This bill would, among other provisions, increase various Political Reform Act monetary threshold limits and codify the current law on ''aiding and abetting'' liability.

There is no question that the adjustments this bill would make to the limits and threshold amounts in the Political Reform Act—which have generally remained unchanged since 1974—are long overdue. Indeed, I would have signed a separate bill containing only these adjustments. Raising the threshold limits to a realistic level is a worthwhile goal that the Legislature should, in its next session, pursue.

However, this bill would also codify a flawed provision setting the contours of liability for those who ''aid and abet'' others to violate the Political Reform Act. As currently drafted, the bill arguably would immunize from criminal prosecution the very class of aiders and abettors most culpable of criminal conduct: those who purposefully cause others to violate the Political Reform Act. Moreover, the bill would arguably codify a wholesale exemption from criminal prosecution for those with filing obligations under the Act, preventing

the criminal prosecution of even those filers who have acted with criminal intent—or, in some cases, gross negligence.

It is incumbent on the Legislature to augment the current law on aiding and abetting by enabling the vigorous enforcement of California's Political Reform Act against intentional violators, irrespective of whether they have filing obligations. At the same time, the Legislature ought to craft the same common sense exemption—as exists in the current law and is carried in the present bill—from criminal liability for those who provide advice that is innocent but incorrect.

Rather than sign this bill and begin a piecemeal process of fixing aiding and abetting liability under the Political Reform Act, the Legislature should define such liability by spelling out with sufficient clarity: who is covered; for what type of conduct; and what civil and/or criminal penalties apply.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1945

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1945 without my signature.

This bill would validate the property tax allocation to the Educational Revenue Augmentation Fund (ERAF) for the Santa Clara County Central Fire District in fiscal years 1993–94 through 1996–97, inclusive.

The allocation errors in Santa Clara County were discovered by an internal audit and have been corrected prospectively. Without legislative relief, the affected fire districts must repay the ERAF approximately $2.7 million. While I am not unsympathetic to the impact this miscalculation will have on the fire district, I am generally opposed to the forgiveness of audit exceptions in property tax allocation audits. However, I have directed the Department of Finance to negotiate a repayment schedule that will not impair the ability of the district to continue to deliver its vital public safety services without undue hardship.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1961

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1961 without my signature.

AB 1961 would create a state hearing process in which custodial and non-custodial parents are permitted to air complaints relating to the accounting, distribution, and arrearage calculations for child support collections by county district attorneys. County district attorneys are required to collect child support payments on behalf of children who are receiving public assistance and every other child for whom those services are requested.

District attorneys are subject to federal and state program compliance audits. Their funding is dependent upon compliance with federal and

state regulations. A state hearing process for child support collections would create a heavy additional burden on the State and counties, diverting child support enforcement resources to activities to support the hearing process.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1988

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1988 without my signature.

This bill would require that a foster parent be given written notice of, and be entitled to attend, all juvenile court dependency proceedings involving a foster child in the foster parent's care, unless the child or the child's attorney objects. The bill would require that a social worker or other duly appointed person include information obtained from the foster parent in the report to the court and that the foster parent receive a summary of recommendations for disposition submitted to the court.

I am supportive of the policy contained in this measure. Notwithstanding the merits of this bill, it is more critical that the State have a two percent reserve. I hope that a future Legislature and Governor will reconsider this bill in the future depending on available resources.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2491

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2491 without my signature.

This bill would require the Attorney General to prepare a report that documents any complaints of formal charges of redlining and examines the impact of a standardized creditscoring system used by financial institutions.

This bill is unnecessary. Existing law, the ''Holden Act,'' prohibits discrimination in housing lending. The Secretary of Business, Transportation and Housing enforces the Holden Act and has issued regulations which provide for the monitoring of lending patterns. The regulations also provide a procedure for applicants, who believe they have been discriminated against, to file a complaint.

In addition, the federal Department of Justice and the Department of Housing and Urban Development examine lending and financial information reported pursuant to the Home Mortgage Disclosure Act to determine if a pattern of lending is in fact redlining.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2534

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2534 without my signature.

This bill would constrain general contractors to withhold only that percentage, or less, in retention proceeds from a subcontractor that is being withheld by the principal, whether public or private; and would apply these provisions to all contracts for the construction of any work of improvement entered into on or after January 1, 1999. These provisions would not apply to subcontractors who do not provide payment or performance bonds, and would not apply to retention withheld by lenders per construction loan agreements.

Earlier this year I signed AB 2084 which will effectively authorize a standard for public works projects equivalent to the universal standard proposed by this bill.

Public agencies and public utilities are held to levels of practice which are often stricter and less flexible than those which apply to the private sector. This is sometimes necessary to ensure that the public trust and public dollars are protected. Mandatory notice, competitive bid and low bid requirements fit the public but not private model. The public must strive to treat each citizen in an antiseptically equal manner—all like situated taxpayers and ratepayers must pay the same rate, all eligible contractors must be given an opportunity to submit the lowest bid.

In the private sector preferred or long term customers often receive lower prices. Those with the best credit pay less interest. Contracts can be awarded to the highest bidder or without any bid process at all. While government should often seek to imitate the private sector, the private sector should rarely seek to imitate government. More often than not when government intrudes into the private sector it imposes mandates which burden and impede the flexibility and profitability of private business.

Occasionally, it is appropriate for the state to intervene. In this instance, however, the size of retentions can be freely negotiated. In those cases where the new state standard can be equitably applied to private contracts it should be mirrored not mandated.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2725

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2725 without my signature.

This bill would establish a Governor's Commission on a Central California Veterans Home consisting of 12 appointed and ex officio members to advise the Governor and the Legislature, as specified, on the establishment of one or more veterans homes in central California. The bill would repeal these provisions as of January 1, 2000.

I support the establishment of veterans facilities when need can be demonstrated. The second of four authorized Southern California Veteran Homes is currently under construction. Current law require that

demand be demonstrated for a third and fourth facility in Southern California before those projects, or any additional projects, may proceed. Further, since veterans from all geographic locations across the state can reside in any of the state's homes, statewide capacity would have to be challenged before additional construction would appear prudent. AB 2725 is premature.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2744

Governor's Office, Sacramento
September 29, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2744 without my signature.

This bill would require the Department of Social Services to initiate a three-year pilot project aimed at implementing and testing a reimbursement rate methodology for group homes that specialize in providing substance abuse treatment through a therapeutic community model. The bill would require project participants to include group homes licensed by the department and certified by the Department of Alcohol and Drug Abuse as providers of residential drug and alcohol services.

Consistent with my concerns about the foster care program, the Health and Welfare Agency, in cooperation with the Department of Social Services and other various stakeholders, is conducting a comprehensive re-examination of group care for foster children in the out-of-home placement program. Included in this review is an assessment of design, rates and ratesetting. The results of this re-examination is expected to be released by April, 1999 with the goal that the proposal can be implemented in the budget.

This bill addresses goals similar to the activities underway which should be completed before making narrow rate classification changes such as those proposed in this bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2791

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2791 without my signature.

This bill, an urgency measure, would implement the county fiscal relief associated with county maintenance of effort (MOE) payments for trial courts in 1998–99, rather than 1999–00, and appropriate $113.7 million to the Trial Court Trust Fund to backfill the loss of revenue in 1998–99 resulting from this fiscal relief and advancing agreed to MOE adjustments to fiscal year 1998–99 rather than fiscal year 1999–00. This bill would also amend the date on which counties

are required to remit the fourth quarter MOE payments to the Trial Court Trust Fund.

Notwithstanding the merits of this bill, it is more critical that the State have a two percent reserve.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 30th day of September 1998, at 4:20 p.m., of Assembly Bills Nos. 20, 424, 209, 805, 1110, 1469, 1596, 1663, 1687, 1724, 1738, 1864, 1945, 1961, 1988, 2491, 2534, 2725, 2744, and 2791, without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Karen Morgan.

HUGH R. SLAYDEN
Acting Chief Clerk of the Assembly

Veto Message—Assembly Bill No. 964

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 964 without my signature.

This bill would require the Integrated Waste Management Board (IWMB) to submit a report to the appropriate fiscal and policy committees in the Legislature describing its expenditures for grants, loans and contracts under the tire recycling program. The bill would also allow the IWMB or its contractor access to sites where tires are being stockpiled illegally, after the IWMB has issued a civil liability order and made a finding that the site represents a significant threat to public health or the environment.

This bill is unnecessary. The information describing expenditures under the tire recycling program is public information that is already provided through the budget process. If members of the Legislature are interested in more detail about such expenditures, all they need to do is ask.

Similarly, authority to restrict activities on, and gain access to, property representing an imminent threat to the public health or environment already exists. The Department of Justice routinely files, and obtains such orders on behalf of government agencies when an imminent threat to public health can be established. Those orders can be obtained in a matter of days. The process outlined in this bill, which requires the IWMB to issue an administrative civil liability order before gaining access to the property, will take at least five months, or as long as 19 months This bill does nothing to provide additional tools to the IWMB to address imminent threats to the public health or environment, but it does expand the administrative authority of the IWMB and erode the Constitutional rights of property owners.

It might be appropriate for the IWMB to possess additional authority to remediate environmental threats through the use of inspection warrants. This is the existing mechanism available to other environmental agencies such as the Department of Toxic Substances

Control and the State Water Resources Control Board. Such a mechanism would provide for Constitutional considerations, but essentially accomplish what the author seeks under this bill.

Public awareness of stockpiled tires, and the environmental threats posed by such sites, is heightened because of the recent Royster tire pile fire in Tracy. It is worth noting that the Royster tire pile was in existence for more than a decade, ample time under even the lengthiest legal process to obtain site access to use state resources to stabilize and remediate this tire pile. Unfortunately, the State was engaged in a protracted legal battle with the owner of the site over the fundamental question of his need for a permit. However, existing statute provides the independent IWMB the authority to take appropriate remedial action, and, in fact, legal proceedings to gain access to the property were instituted just prior to the accidental fire that occurred in Royster.

Today I have signed Assembly Bill No. 117, which will provide for an extension of the 25-cent tire fee consumers pay when they purchase new tires. The revenue generated from this fee is intended to address the environmental consequences of tires being generated every year in California and so-called legacy, or stockpiled, tires. I have directed the IWMB to focus its attention on remediation of stockpiled tires. Assembly Bill No. 117 also calls for a study, which, in part, will address the strategies necessary to eliminate stockpiles of tires. The authors of that report must look critically at the question of site access to remediate stockpiled tires, but those who research this question must also consider existing authorities because those authorities are adequate to the task of protecting public health and the environment from imminent threats, if they are appropriately pursued. The use of inspection warrant, is the most expeditious remedy to seek additional assurances that site access can be obtained for the purposes of cleaning up other sites.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 422

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 422 without my signature.

This bill would, among other provisions, exempt quarter horse associations from paying to the state the eight percent license fee imposed for wagering on interstate simulcasting, allowing instead that amount to be distributed to the official registering agency for quarter horse racing.

I have consistently supported efforts to provide substantial tax relief to this industry to ensure its continued competitiveness. Recently, I signed Senate Bill 27 (Maddy), that will provide approximately $40 million annually in tax relief to the horse racing industry. Therefore, additional tax relief at this time is unwarranted.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 542

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 542 without my signature.

This bill would require Caltrans to consult with intercity bus companies on feeder bus service provided for intercity rail passengers under California's intercity rail program. Additionally, the bill prohibits the department, after January 1, 2003, from funding bus service parallel to state-funded rail routes and from providing bus service to intercity bus passengers.

While this bill seeks to restrict subsidized competition and save tax dollars, I am concerned that it will severely limit the intercity rail program. Bus feeder routes are awarded to the lowest bidder, which enhances competition between private sector providers. Intercity rail serves a specialized market that is significantly different from intercity bus services. The success of this program relies on the dedicated feeder system. If these services decline, ridership will decrease, requiring additional state subsidies to make up the losses.

Although I agree that the rail program should be competitive on a long-term basis with other modes of transportation, I am concerned that this bill would prematurely end the State's effort to build intercity passenger rail as a capacity addition to California's highways. The recently enacted budget includes funds for expanded service along existing rail lines to increase ridership on the Capitol Corridor (rail service to increase from four to six trains daily) and the San Joaquin Corridor (rail extension to Sacramento from Stockton). Ridership on these routes has increased 36 percent over the last five years, a trend I expect to continue.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 952

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 952 without my signature.

This bill would, among other provisions, eliminate the sunset that allows a portion of the amount payable on each dollar wagered on quarter horse racing to remain at five cents.

Current law (Business and Professions Code Section 19405) defines ''breakage'' as the odd cents by which the amount payable on each dollar wagered exceeds a multiple of ten cents. For quarter horse racing until January 1, 1999, ''breakage'' is defined as the odd cents by which the amount payable on each dollar wagered exceeds a multiple of five

cents. Under existing law (Business and Professions Code Section 19606.1) ''breakage'' is distributed as additional license fees, commissions, purses and the like.

This bill would remove the sunset to allow the ''breakage'' for quarter horse racing to remain at five cents. As such, less money would be distributed to the general fund and the two-tiered level of breakage that currently exists would remain.

I have consistently supported efforts to provide substantial tax relief to this industry to ensure its continued competitiveness. Recently, I signed Senate Bill 27 (Maddy), that will provide approximately $40 million annually in tax relief to the horse racing industry. Therefore, additional tax relief at this time is unwarranted.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 954

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 954 without my signature.

This bill would grant specified temporary employees a preferred right to reappointment by requiring notification by March 15 regarding the employment status in the next school year and by providing an appeal process to challenge a district's intent not to rehire.

This bill limits the flexibility of local community college governing boards to employ temporary employees by requiring districts to make offers of reemployment driven by arbitrary statutory deadlines rather than student needs. This bill also imposes a new reimbursable state mandate on districts by requiring new employment monitoring and appeal processes.

This bill will hamper the ability of a community college district to respond to the educational needs of the communities they serve. Changing demand for occupational training requires that the colleges be able to expand or reduce faculty specialization rapidly. Community colleges need to preserve their ability to ensure the teaching faculty, they need to accommodate the changing educational needs of the persons who come to their institutions for instruction.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1205

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1205 without my signature.

This bill would revise the definition of private postsecondary educational institutions and make technical and clarifying amendments to the Private Postsecondary and Vocational Education Reform Act.

AB 1205 would expand the Private Postsecondary and Vocational Education Reform Act to apply to institutions that operate administrative offices in California but do not solicit or enroll California residents in their programs. This provision elicits questions on how out of state institutions located in California are to be regulated and how

California institutions should be regulated if they have offices located in another state. There is no question that an institution located in California and offering educational services to California residents is subject to regulation by the Bureau of Private Postsecondary and Vocational Education (Bureau). However, if that institution only operates an administrative office in California and does not offer any educational services to California residents, it is appropriate that regulation be provided by the state where the institution is located.

It is my understanding that the Attorney General's office is currently working with other states on the appropriate regulatory relationship between California and states, especially given that technology has allowed these schools to offer distance learning through computers and other electronic means. Signature on this bill would therefore be premature.

I would note, however, that the Bureau has a duty to take action against any school with an administrative office in California that is misrepresenting itself to potential students as an approved California educational institution.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1381

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1381 without my signature.

This bill would expand the number of child care agencies that would be eligible to lease state-owned portable classrooms purchased with state general obligation bond funding to include agencies that contract with school districts for the provision of extended day care services to school-aged children.

Last year, I supported the establishment of a child care facilities revolving loan program. The program was established with $25 million and augmented with an additional $13.3 million this year. This fund will be replenished through annual lease payments from providers who lease-purchase the portables overtime. Although the Department of Education has yet to allocate any funding under this program, I believe that when it is finally operable, this program will provide an ongoing funding source for child care facilities, thus eliminating the need for state school bonds for this purpose. Therefore, this legislation appears unnecessary.

I further note that this bill would create additional workload at the Office of Public School Construction at a time when we are attempting to streamline the state school facilities program.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1962

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1962 without my signature.

This bill would allow the California Coastal Commission to require a project applicant to hire a scientist or technical expert that is mutually agreeable to both the applicant and the Commission to provide expert testimony on project applications pending before the Commission. The bill directs the Commission to adopt guidelines relating to this process and to approve the guidelines via the Administrative Procedures Act.

This bill fails to identify standards or threshold requirements that the Commission would be required to consider prior to making a determination that independent review is necessary. This decision will be totally subjective on the part of the Commission. The bill requires the Commission to adopt guidelines addressing how the Commission will frame questions to the experts; how information must be communicated to the Commission, and what type of expert is required for particular projects. However, there is nothing requiring those guidelines to define the types of projects that will be subject to independent review, how the term ''conflicting scientific information'' will be defined, or to require the Commission to accept the information provided by an independent reviewer.

The process proposed by this bill would provide a hardship for most applicants by assuring increased costs—without guaranteeing better projects will result.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1967

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1967 without my signature.

This bill would eliminate the July 1, 1999 sunset date and amend the formula used to equalize home-to-school transportation funding. In addition, this bill would require the Office of the Legislative Analyst to study the issue of special education transportation services funding.

Home-to-school transportation funding has already been equalized. I see no reason to extend this formula. These provisions were intended to be temporary, and therefore, should be allowed to sunset. It should be noted that districts have received an abundance of support for this program. For example, districts and county superintendents of schools have been provided hundreds of millions of dollars in supplemental grant funding and general purpose revenue limit funding that could be directed to home-to-school transportation needs based on local priorities.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2398

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2398 without my signature.

This bill would augment the 1998 Budget Act by appropriating $46 million to the California Community Colleges. Of these funds, $11 million would be provided for a rate increase for non-credit courses on the basis of an equal amount per full-time equivalent student and $35 million would be provided to equalize community college apportionments.

Whatever the merits of this bill, it is more critical that the State have a two percent reserve.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 822

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 822 without my signature.

This bill would appropriate $300,000 from the General Fund to establish the Family Maintenance Health Care Pilot Project in Los Angeles County The pilot project would address health concerns with regard to abused and neglected children who remain at home while participating in the Family Maintenance Program. It would identify these children and establish physician and staff education programs, case management, and a data tracking system.

I deleted an item from the Budget which would have required $350,000 of federal Child Abuse Prevention and Treatment Act (CAPTA) funds to be dedicated to the same project AB 822 proposes. At that time, I stated that the pilot project appeared to be meritorious; however all of the federal CAPTA funds available for 1998–99 had been committed to other continuing child abuse prevention projects. I recommended then, and continue to recommend that Los Angeles County apply for funding in the next grant cycle.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1183

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1183 without my signature.

This bill would prohibit an employer from delaying the payment of workers' compensation benefits for a work-related injury or illness in anticipation of the recovery of amounts from a third-party for the same injury or illness.

Current law provides penalties for the late payment of workers' compensation benefits and, if any portion of a benefit payment is ''unreasonably delayed,'' the entire benefit amount is subject to a ten percent penalty. This measure modifies only that aspect of the

penalty law allowing carriers to recover penalties in subrogation claims and does not address any of the other problems associated with the workers' compensation penalty process. While I support a review of the penalties associated with the payment of workers' compensation benefits, I cannot support it being done on a piecemeal basis.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1654

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1654 without my signature.

This bill would revise the Adoption Assistance Program's (AAP) statutory guidelines by eliminating the requirement that statewide median income data be used as a guideline by adoption caseworkers when determining AAP payments for adopting families. The bill changes the process for renewal of the AAP payments to a reassessment of the child's needs every two years. The bill also clarifies that the county of residence of the relinquishing parent is responsible for making AAP payments in cases where the child has been voluntarily relinquished.

It has been, and continues to be, the policy of this State to encourage adoptions. The Adoption Initiative-Adoption Advisory Council is currently considering recommendations from work groups on post-adoption services. The Council and its work groups are composed of representatives from the Administration, the Legislature, local government, and child advocacy groups. The issues considered by the Council and those raised by this bill are complex. Changes in family income are taken into account when awarding or modifying child support orders in family law cases. No child support award is permanent and all are subject to review upon a change in circumstances until the child attains his or her majority. The fact that a foster family has adopted a child does not mean that the family should be awarded an annuity by the State whose payments will continue unchanged, regardless of the family's financial circumstances and regardless of the needs of the child. The Advisory Council is more likely to take all perspectives into account in their recommendations; statutory changes should await the Council's recommendations.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1697

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1697 without my signature.

This bill would transfer $1 million appropriated in the Budget Act for the Department of Housing and Community Development's Self-Help Program from the Self-Help Housing Fund to the California Housing Trust Fund. Additionally, this bill would mandate the Legislative Analyst to prepare a report, for submission to the Legislature on or before March 1, 1999, on potential permanent, stable revenue sources for annual appropriation to the California Housing Trust Fund.

The Legislative Analyst's Office can prepare reports without the need for a statutory mandate. This bill would do nothing more than shuffle funding around for the Self-Help Housing Program. It is unnecessary.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1716

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1716 without my signature.

This bill would require an attorney to provide a detailed disclosure statement before the attorney would be able to sell long-term care insurance, life insurance, or annuities to any client who is an elder or dependent adult with whom the attorney has or has had an attorney-client relationship within the past three years.

I would sign this bill to provide elder protection were it not for the requirement that the attorney advise his client as to how to spend down his assets in order to qualify for Medi-Cal.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2432

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2432 without my signature.

AB 2432 would require all new State public building for which design and construction begins after January 1, 2000, except publicly-funded schools, colleges, and universities, to exceed the minimum building energy-efficiency standards mandated by the California Building Code. This bill would require all State office buildings for which construction begins after June 30, 2000, that are used in whole or in part as State offices, to follow ''green'' building standards and would require the California Integrated Waste Management Board to create regulations for these buildings by January 1, 2000. This bill would also require that all current State buildings, except for public school, college, and university buildings, when renovated or remodeled to be retrofitted with all energy-efficiency measures, materials, and devices that are feasible and cost effective.

In 1994, I issued Executive Order W-83-94, which addressed energy-efficiency issues. I directed State agencies to incorporate practices and technologies in public construction and building retrofitting in order to reduce the long-term energy costs of public works projects. In accordance with this executive order, State agencies now incorporate energy-efficient technologies along with environmentally-friendly practices in construction and renovation when it is feasible, cost effective, and consistent with good design. Enactment of these standards has already led to substantial energy saving, benefiting both the taxpayer and the environment.

This Administration offered to assist the author in creating a bill that would augment the current Administration practice of designing and building State offices that are models of energy efficiency. Unfortunately, the proposed amendments were rejected by the author. This bill is overly prescriptive and attempts to have the State drive an emerging market. Governments have failed, on many occasions, to identify and incorporate, much less prescribe, the correct state-of the-art technologies. If energy-efficient technology and know-how warrants more attention, market forces in the private sector are more likely to successfully identify and develop them; government fiats are unlikely to do so.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2570

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2570 without my signature.

This bill would require general acute care hospitals that request program flexibility to post such requests in plain view of the public prior to approval by the Department of Health Services. The bill would also require that the program flexibility request include a statement informing the employees of the facility that they may submit comments to the Department regarding the request.

This bill is not necessary. The Department conducts a thorough investigation of the need for program flexibility. This investigation often includes consultation from health professional organizations as well as hospital personnel. Additionally, most requests for program flexibility relate to changes to the physical plant, administrative issues or techniques to address outdated regulatory areas. Moreover, the posting of the request and comments by employees results in additional costs without any likelihood of improving quality of care.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1737

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1737 without my signature.

This bill would establish the California Housing Preservation Program to make low cost, long term loans for multifamily housing projects in order to maintain the affordability of units that will otherwise terminate their federal low-income housing contracts and raise rents to the market rate.

Funding for this program was deleted in the 1998 Budget Act because state government should not be expected to replace federal housing subsidies in California which may be in jeopardy due to federal budget policy.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1966

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1966 without my signature.

This bill would create a minimum funding guarantee for the University of California (UC) and the California State University (CSU) by requiring the state to provide funding increases to UC and CSU based on the rate of growth of the State General Fund.

I yield to no one in my appreciation of UC and CSU and of their importance to California. However, I believe that the best way to provide appropriate financial support and predictable level of funding to UC and CSU is through a carefully negotiated compact between our state and the two systems of higher education. This type of compact properly balances funding assurances for the systems; and taxpayer assurances of higher performance and productivity; and increased student assurances that they will have access to the classes permitting their graduation in four years. This bill falls short of all of these objectives.

Last year I vetoed AB 1415, a measure virtually identical to this bill. I continue to believe that there is a better way to honor our obligation to provide resources necessary to assure the success of UC and CSU than by the rigidity of the statutorily mandated auto-pilot spending of this bill.

Negotiations with the systems are nearly complete. I plan to unveil, this Fall, a new compact that maintains California's commitment to excellence for the University of California and the California State University systems.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2031

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2031 without my signature.

This bill would require that any person who would have been eligible for services under specified mental health, developmental disabilities and health services programs, as of July 16, 1996, shall continue to be eligible for these services regardless of immigration status, as long as the person meets all other eligibility requirements.

The Federal Personal Responsibility and Work Opportunity Act of 1996 requires California, if it chooses to provide benefits to unqualified aliens after August 22, 1996, to enact laws to restore benefits at state-only cost.

It has not been my goal to remove benefits whose termination would not act as a disincentive for illegal immigration and must be maintained for compassionate reasons. As such, I proposed, over a year ago, to continue serving all residents, regardless of immigration status, in the following programs: Victims Witness Assistance Program Center, Rape Crisis Center, Child Protective Services, the Child Health and Disability Prevention Program and those under civil commitment by the courts in state developmental centers. These programs are critical to public safety and public health.

In addition, I proposed to ''grandfather'' individuals currently enrolled in the In-Home Supportive Service Program, the California Children's Services program, the Genetically Handicapped Persons Program, the Long-Term Care Program and certain clients in state developmental centers. These programs are critical for compassionate reasons.

It is unfortunate, however, that the Legislature chose to ignore my request to provide these services and instead send a bill that clearly violates the intent of the federal policy that wisely sought to discourage illegal immigration by removing incentives for it.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2407

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2407 without my signature.

This bill would authorize the Emergency Medical Services Authority (EMSA) to take a licensing action against emergency service personnel for unprofessional conduct, as defined. The bill would also authorize EMSA to obtain federal background checks as part of the licensure procedure.

This bill would improve EMSA's ability to protect the public from emergency service personnel with a criminal background or who have engaged in unprofessional conduct. However, the definition of ''excessive force'' conflicts with existing standards applicable to law enforcement personnel when a peace officer must first deal in a law enforcement mode, for example, with a suspect, and then provide the

suspect with emergency medical attention. This may subject law enforcement officers who are also licensed by EMSA to conflicting standards. EMSA should resolve this technical issue and promptly reintroduce the bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2527

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2527 without my signature.

This bill would establish procedures for the sale, transfer of control, or disposal of assets from a nonprofit healthcare provider to another nonprofit organization.

This bill would unnecessarily regulate affiliations and asset transfers between charitable hospitals. It is appropriate to regulate the sale of a nonprofit hospital to a for profit hospital because the use of the hospital is converted from a nonprofit public use to a private, for profit use. However, those same considerations do not apply when the hospital remains a not for profit entity. Existing law is sufficient to protect the public interest because nonprofit to nonprofit transfers result in hospitals that continue to be owned by nonprofit public benefit corporations which are subject to review by the Attorney General.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 2630

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 2630 without my signature.

This bill would require that the names, addresses, and phone numbers of Individual Care Providers be subject to disclosure under the Public Records Act. Existing law does not allow phone numbers to be released. The bill would also require release of information to the public of only those providers in counties who are not represented by an exclusive bargaining agent.

This bill conflicts with state labor relations law by eliminating a Public Authority's discretion, as an employer under current law, to release names, addresses and phone numbers about employees where the collective bargaining agreement is silent on the issue. Thus, the bill creates an unfair distinction between the release of names, addresses, and phone numbers of unionized and non-unionized care providers.

In addition, the release of phone numbers in addition to names and addresses under current law is an unwarranted invasion of privacy. Existing law which provides access to the names and addresses of care providers is sufficient for organizing and information sharing purposes.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1820

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1820 without my signature.

This bill would allow five counties to establish a pilot program to offer payments for licensed child care services for foster children, under the age of 6, as an inducement to increase the number of families willing to provide foster care. The pilot program would be contingent upon federal financial participation.

I am supportive of the policy contained in this measure, though not supportive of removing parental choice as to the kind of child care. However, the State must have a two percent reserve. I hope that a future Legislature and Governor will reconsider this policy if resources permit them to do so.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1155

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1155 without my signature.

AB 1155 would direct the Department of General Services to accept a deed on behalf of the Controller's Office in lieu of foreclosure for 160 acres of land located in the Santa Monica Mountains in Los Angeles County. This land is the security for a note which was assigned to the Controller's Office by the Mountains Recreation and Conservation Authority. The note was due, in the amount of $1.2 million, on March 26, 1996. It has not been paid. The 160 acres of land has a current appraised value of $480,000.

The 160 acres are located in a wilderness area. State acquisition of this land will permit completion of the Backbone Trail of the Santa Monica Mountains. The federal government has expressed interest in acquiring this land for purposes of extending the Trail and is willing to grant federal park lands to the State Department of Parks and Recreation in exchange.

A little history is necessary in order to properly understand this bill. The 160 acres which are the subject of this bill were part of the estate of a prominent Southern Californian, who died in 1991. The estate owed approximately $607,000 to the State in estate taxes. On January 6, 1993, the estate sold the 160 acres to the Mountains Recreation and Conservation Authority. The estate received a $10,000 down payment and a note for $950,000 (plus interest) which was set to mature on March 26, 1996 with a balloon payment of $1.2 million. The note was secured by a deed to the l60 acres. In 1994, the State Controller agreed to accept an assignment of the note from the estate in lieu of the estate taxes, interest, and penalties, which were projected to reach $900,000 upon the note's maturity. As part of this agreement, the Controller agreed to refund $150,000 to the estate when payment was received. Unfortunately, payment was never received; the Mountain Recreation and Conservation Authority defaulted on the note when it matured on March 26, 1996. The State has not yet received any of the taxes, interest,

and penalties which are owed to it by the estate, which have now risen to over $1.05 million.

This bill is sponsored by the State Controller. It would direct the Department of General Services to accept the deed for the 160 acres in lieu of foreclosure and in full satisfaction of all taxes and interest owed to the State. Under the best of circumstances, this process would result in lost revenue of over $500,000. The State may, under current law, foreclose and proceed against the estate for any deficiency.

Acceptance of a promissory note secured by property with an apparent value of one-third to one-half of the value of the note has foreseeable consequences. The absence of any periodic payments and the willingness of the estate to pay $1,200,000 (less a $150,000 refund) to settle its indebtedness, which was on the due date $900,000, should have provided ample warning that the public interest required a more plausible repayment plan. Acceptance, now, of the 160 acres in lieu of tax payment is appropriate only if the Controller's Office would accept from any similarly-situated estate $500,000 in land as a bartered exchange in satisfaction of a $1 million tax liability. Because this type of deal-making would be inconsistent with fundamental notions of fair dealing and equal treatment by government, so too is the well-intentioned proposal incorporated in the provisions of this bill.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 1664

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 1664 without my signature.

This bill would, among other provisions, establish participation goals of 30 percent for small business and 3 percent for disabled veteran business enterprises for the majority of state contracts and would require state departments to establish rules for the implementation of their participation goals.

Under current law, the State's Office of Small and Minority Business (OSMB) within the Department of General Services provides information services and assistance to small businesses to encourage their participation in state contracting. Also, under current law, small businesses certified by the OSMB can qualify for a 5 percent bid preference in evaluations of state solicitations.

While I am in favor of encouraging small business participation in state and local contracts, this bill is not an efficient or reasoned means to accomplish that and runs counter to the State's efforts to streamline the procurement process. First, the bill would add another mandatory participation goal program to the state contracting process. In the past, mandatory participation goals have added two to eight weeks to the public notice period for bid solicitations, increasing state costs by millions of dollars annually and delaying procurement. Second, the bill would burden state agencies with additional paperwork and process requirements. Third, the bill would create confusion, as it would add a second definition of ''small business'' in connection with state

contracting. Finally, there is no reasoned basis for an across-the-board 30 percent participation goal, unrelated to the agency or the industry involved in the procurement. It is entirely arbitrary.

The OSMB is currently in the process of expanding, via the regulatory process, the threshold levels for small business certification. As a result of increasing these thresholds, the OSMB believes that small businesses will qualify for and obtain state contract work.

Much effort has been put forth this year to secure legislation that would assist small businesses in state contracting. Among other things, this Administration has sought to require prompter payment by state government to small business (which depends on a reliable and constant cash flow), better information over bid opportunities, and incentives for subcontracting with small businesses. However, establishing yet another mandatory goal program is not only counterproductive but a flawed substitute for real reform.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 574

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly

I am returning Assembly Bill No. 574 without my signature.

This bill would make it an unlawful employment practice for an employer to request any employee or prospective employee to agree to arbitrate any claims prior to the existence of an actual dispute. Additionally, under the bill, any such arbitration agreement would not be enforced, despite long-standing federal and state policy that written arbitration agreements are to be enforced.

This bill is a bad precedent, bad law, and bad policy. First, it sets a bad precedent. By making an employer's request to an employee to agree to arbitration an ''unlawful employment practice'' under the California Fair Employment and Housing Act, it denigrates this State's protections against discrimination by equating the innocence of an employer's request for an arbitration agreement with the malevolence of discrimination based on race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age, and sex, any of which constitutes an unlawful employment practice.

An employer's request for an arbitration clause in an employment agreement— in conformity with long-standing federal policy in favor of arbitration—should not subject the employer to an unlawful employment practice charge and the financial penalties associated with it.

Secondly, the bill is bad law because it is largely preempted by the Federal Arbitration Act. The Federal Arbitration Act requires the enforcement of any written arbitration agreement in any contract ''evidencing a transaction involving commerce'' ''save upon such grounds as exist at law or in equity for the revocation of any contract.'' 9 U.S.C. §2. The U.S. Supreme Court has ruled that the Federal Arbitration Act ''is a congressional declaration of a liberal federal policy favoring arbitration agreements, notwithstanding any state substantive or procedural policies to the contrary.'' *Moses H. Cone*

Memorial Hospital v. *Mercury Construction Corp.* 460 U.S. 1, 24 (1983). The court has accordingly invalidated state statutes that bar litigants from using arbitration to resolve disputes. *See, e.g., Perry* v. *Thomas* 482 U.S. 483 (1987) (holding that Labor Code §229 is preempted by the Federal Arbitration Act). Hence, this bill's prohibition of, and refusal to enforce, arbitration agreements between an employer and employee are preempted, except for those arbitration agreements which do not fall within the reach of the Federal Arbitration Act (*i.e.*, those agreements not within the reach of the Commerce Clause or contracts of employment of seamen, railroad employees, or other classes of workers engaged in foreign or interstate commerce, which are exempt under 9 U.S.C. §1). Since the U.S. Supreme Court has thus far interpreted broadly the scope of the Federal Arbitration Act, this bill would be largely preempted by the Federal Act. Employers would face the uncertainty of deciding whether a request for an arbitration agreement was an unfair employment practice or an action favored, and enforced, under federal law.

Arguments by the bill's supporters that this bill is not preempted because it does not affect the enforcement of arbitration agreements, but merely penalizes the creation of such agreements are absurd and belied by the bill's provisions that expressly address enforcement of arbitration agreements between employers and employees. Moreover, penalizing employers who request arbitration agreements subject to the Federal Arbitration Act is clearly inconsistent with the Federal Act's enforcement of arbitration agreements. The doctrine of federal preemption is sufficiently broad to make a state statute void to the extent it stands as an obstacle to the accomplishment of the full purposes and objectives of Congress, *Maryland* v. *Louisiana* 45l U.S. 725 (1981), and thus, penalizing an employer for seeking to make an arbitration agreement that is favored and enforced under federal law is preempted.

Third, this bill is bad policy. It would prohibit any agreements to arbitrate as part of any employment contract, whether that agreement is with an executive officer or personnel in the company's mail room—regardless of the benefits of arbitration to that individual in terms of cost and efficiency. Arbitration can help both employers and employees keep their litigation expenses down and speed resolution of disputes, to their and society's benefit, promoting a favorable jobs climate in this State and preserving personal finances. For instance, arbitration allows an employee to resolve disputes that he or she could not afford to litigate in court, or where the amount in controversy makes it uneconomical to proceed with litigation, It is no answer to say that this bill permits an employer and employee to agree to arbitration after a dispute arises. After a dispute has arisen, one party or the other often sees an advantage to litigating; thus, the best way to realize the benefits of arbitration is to agree to it in advance.

Finally, this bill is not necessary to protect employees. The underlying argument in favor of this bill is not that arbitration is bad, but that some employees may be coerced into signing an unfair or unconscionable arbitration agreement. However, concerns over unconscionable or adhesion contracts can be addressed in the code provisions addressing those subjects. After all, the Federal Arbitration Act provides that arbitration agreements need not be enforced on any ground that exists at law or in equity for the revocation of any contract, such as unconscionability. Nor is this bill necessary to allow litigation in

court of civil rights claims: The Ninth Circuit has recently ruled that employers cannot require employees to arbitrate discrimination claims under Title VII of the Civil Rights Act. *See Duffield* v. *Robertson Stephens & Co.*, 144 F.3d 1182 (9th Cir. 1998).

In short, far from there being any need for this bill, there is a compelling need to veto it.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 188

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 188 without my signature.

This bill would, among other provisions, prohibit funds which are raised to support or oppose a ballot measure from being transferred to another ballot measure.

This bill is unnecessary. Existing law allows donors to place ''non-transfer'' conditions on their contributions if they so choose. Moreover, this bill would inhibit those in the private sector from involvement in ballot measure elections by restricting their ability to raise funds for several ballot measures at the same time based on common goals, subject matter or supporters. It is inappropriate to limit that participation.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 378

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 378 without my signature.

This bill would require the Controller to refund, on or before April 1, 1999, any amounts lost by cities for possessory interest taxation during the 1997–98 fiscal year due to the collection of in lieu fees from racing associations.

Existing law authorizes horse racing associations, either through on-site or satellite wagering, to pay one-third of l% of their pari-mutuel wagers to local governments in lieu of paying locally imposed license, business or excise fees and taxes. Essentially, local governments voluntarily accept racing association revenues in lieu of receiving local taxes from the racing associations. This law is intended to ensure that all local taxes are waived when a city or county accepts a percentage of the racing wagers.

The City of Del Mar agreed to accept horse racing wagers in lieu of taxing the racing association. Subsequently, the County of San Diego levied a possessory interest tax upon the association. Then, in 1995, AB 304 (Tucker, Ch. 959) was enacted to clarify that when a possessory interest tax is levied upon a private horse racing association for use of a publicly owned fairground, the possessory interest taxes shall be deducted from the percentage of wagers allocated to local governments. While that measure results in a significant loss of revenues for the City of Del Mar, it maintains the original intent of the law that local

governments accept horse racing dollars in exchange for not levying taxes.

This bill would totally undercut the agreement embodied in the law.

Cordially,

PETE WILSON

Veto Message—Assembly Bill No. 310

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am returning Assembly Bill No. 310 without my signature.

Under existing law, an employee of an independent contractor is protected against harassment by a customer of the independent contractor, or any of the customer's employees, if the employee of the independent contractor is in fact under the control of the customer. The customer in this case would be considered a joint employer. That is as it should be.

But this bill would, among other provisions, seek to extend liability so as to hold employers liable for the harassment of independent contractors.

California's discrimination laws are predicated on the traditional employer and employee relationship, which under both the Labor and Government Codes require certain duties and responsibilities. This bill would give protection against discrimination to non-employees who are independent contractors engaged in independently established businesses with, among other things, the right to control how and when their work is performed.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 30th day of September 1998, at 11:50 p.m., of Assembly Bills Nos. 964, 422, 542, 952, 954, 1205, 1381, 1962, 1967, 2398, 822, 1183, 1654, 1697, 1716, 2432, 2570, 1737, 1966, 2031, 2407, 2527, 2630, 1820, 1155, 1664, 574, 188, 378, and 310, 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

The following item veto messages from the Governor were received and ordered printed in the Journal and the bills ordered to the unfinished business file:

Item Veto—Assembly Bill No. 1986

Governor's Office, Sacramento
September 19, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 1986 with a reduction.

This bill would appropriate $245.5 million General Fund for the acquisition of the Headwaters Forest Preserve and related properties. This bill also specifies the conditions under which the funds could be encumbered, including specific requirements for the related Habitat Conservation Plan and implementation of a federal watershed study

I am signing AB 1986, however, I am reducing the appropriation by a total of three million dollars ($3,000,000) from Section (b), which allocates fifteen million dollars ($15,000,000) to Humboldt County for economic assistance.

The remaining twelve million dollars ($12,000,000) included in the bill plus the five million ($5,000,000) allocated by federal government for economic development should provide adequate assistance to Humboldt County for this purpose.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 21st day of September 1998, at 1:30 p.m., of the Governor's statement of the items of appropriation reduced or eliminated from Assembly Bill No. 1986 delivered to me personally by Karen Morgan.

LAWRENCE A. MURMAN
Assistant Chief Clerk of the Assembly

Item Veto—Assembly Bill No. 1292

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 1292.

This bill would enact the Academic Improvement and Achievement Act to provide grants to school districts working in partnership with colleges, businesses, and community organizations to improve student performance and increase college participation.

I am reducing the $20 million local assistance appropriation because substantial partnership start-up activities required for program eligibility will limit the number of partnerships qualifying for funding during 1998–99. Additionally, the appropriation for the State Department of Education to administer this program and the college preparation programs enacted by AB 2216, AB 2363 and SB 1697 would exceed the department's administrative costs.

Therefore, I am reducing the appropriation in paragraph (a) of Section 2 from $20,000,000 to $5,000,000, and I am reducing the appropriation in paragraph (b) of Section 2 from $300,000 to $160,000.

SEC. 2(a) The sum of ~~twenty~~ *five* million dollars ~~($20,000,000)~~ *($5,000,000)* is hereby appropriated from the General Fund to the Superintendent of Public Instruction for allocation to local education agencies for the purposes of, and

in accordance with, Chapter 12 (commencing with Section 1020) of Part 7 of the Education Code.

(b) The sum of ~~three~~ *one* hundred *sixty* thousand dollars ~~($300,000)~~ *($160,000)* is hereby appropriated from the General Fund to the Superintendent of Public Instruction to administer the grants under Chapter 12 (commencing with Section 11020) of Part 7 of the Education Code, under SB 1697 of the 1997–1998 Regular Session if that bill is enacted and takes effect on or before January 1, 1999, under AB 2216 of the 1997–98 Regular Session if that bill is enacted and takes effect on or before January 1, 1999, and under AB 2363 of the 1997–98 Regular Session if that bill is enacted and takes effect on or before January 1, 1999.

(c) For the purposes of making computations required by Section 8 of Article XVI of the California Constitution, the appropriation made in subdivision (a) shall be deemed to be ''General Fund revenues appropriated for school districts,'' as defined in subdivision (c) of Section 41202 of the Education Code, and shall be deemed included within the ''total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Artic1e XIIIB,'' as defined in subdivision (e) of Section 41202 of the Education Code, for the year in which the funds are appropriated.

Cordially,

PETE WILSON

Item Veto—Assembly Bill No. 2216

Governor's Office, Sacramento
September 23, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 2216.

This bill would provide grants to school districts for fee assistance to economically disadvantaged students taking advanced placement examinations. However, I am reducing the appropriation from $2.5 million to $1.5 million to better reflect the expected demand for assistance. This level of funding will provide state subsidies for 37,500 economically disadvantaged students. Although enrollment of economically disadvantage students in advanced placement courses will continue to grow over time, $1.5 million will fully fund this program for 1998–99.

SEC. 5. (a) The sum of ~~two~~ *one* million five hundred thousand dollars ~~($2,500,000)~~ *($1,500,000)* is hereby appropriated from the General Fund to the State Department of Education for purposes of Section 52244 of the Education Code.

(b) For the purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be ''General Fund revenues appropriated for school districts,'' as defined in subdivision (c) of Section 41202 of the Education Code, for the 1998–99 fiscal year, and included

within the ''total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,'' as defined in subdivision (e) of Section 41202 of the Education Code, for the 1998–99 fiscal year.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 24th day of September 1998, at 3:42 p.m., of the Governor's statement of the items of appropriation reduced or eliminated from Assembly Bills Nos. 1292 and 2226 delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Item Veto—Assembly Bill No. 48

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 48 with a deletion.

This bill would grant immunity from criminal prosecution to anyone who is subject to prosecution under the state's assault weapons law for conduct related to an SKS rifle, as defined, committed during a specified period in which there were conflicting administrative designations of that weapon. This bill would make the immunity provisions fully retroactive to anyone who is subject to prosecution or prosecuted and convicted of violating the assault weapons law.

I have deleted the $1.3 million appropriation. The expenditure of these funds appears premature in light of the pending review of the entire assault weapons law now before the California Supreme Court.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 28th day of September 1998, at 5:01 p.m., of the Governor's statement of the items of appropriation reduced or eliminated from Assembly Bills No. 48 delivered to me personally by Karen Morgan.

RALPH ROMO
Acting Chief Clerk of the Assembly

Item Veto—Assembly Bill No. 2274

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am signing Assembly Bill No. 2274 with a deletion.

This bill would require the State Department of Education to collect and summarize data on pupil achievement, outcomes, and characteristics for all alternative education programs in addition to data

on their funding from various sources, and appropriate $100,000 to the Department of Education for this purpose.

It is my understanding that this bill is in response to my veto of AB 792 (Havice), a 1997 bill that would have established a method to equalize continuation school funding. In my veto message for AB 729, I stated that we needed information on what impact, if any, the different rates of continuation school funding are producing in student outcomes and achievement. The data collection described in this bill would address many of the concerns raised in my veto of AB 729 and could provided the basis for a meaningful evaluation of continuation school funding and effectiveness.

Although I am signing AB 2274, I am deleting Section 2 in its entirety, which includes the $100,000 General Fund appropriation. The Department of Education should already be collecting the sort of information described in this bill as part of ongoing program evaluation and administration. But since they have failed to collect the most basic information on these programs, I will support this measure. However, I cannot support providing additional funding for the Department of Education to perform an activity that is already within their existing scope of responsibility.

Cordially,

PETE WILSON

Item Veto—Assembly Bill No. 2794

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

On this date I am signing Assembly Bill No. 2794 with a reduction.

This bill would appropriate $18,913,000 General Fund and special funds for various programs as a supplement to the Budget Act of 1998 (Ch. #324, 1998) and reappropriate $240,000 from the Proposition 98 Reversion Account.

I am sustaining $70,000 Section 4 (cx) for the La Mesa Community Center. I am reducing Section 28, (q) by $20,000 leaving $70,000 for support of the Pasadena Youth Center. I am deleting Section 2, Section 3, Section 4, Section 5, Section 6, Section 7, Section 8, Section 8.5, Section 9, Section 10, Section 11, Section 12, Section 13, Section 14, Section 15, Section 16, Section 17, Section 18, Section 19, Section 20, Section 21, Section 22, Section 23, Section 24, Section 25, Section 26, Section 27, Section 28 (a), (b), (c), (e), (g), (j), (k), (m), (n), (r) and Section 29.

Notwithstanding the merits of the augmentations, it is more critical that the State have a two percent reserve.

Cordially,

PETE WILSON

Item Veto—Assembly Bill No. 1812

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am signing Assembly Bill No. 1812 with a reduction.

This bill would appropriate monies from the General Fund to the San Joaquin Area Flood Control Agency for the Stockton Metropolitan Area

Flood Control Project, and to San Luis Obispo County for house laterals and infrastructure improvements.

The appropriation for the San Joaquin Area Flood Control Agency exceeds the normal and customary State share of nonfederal costs. Therefore, I am reducing the appropriation contained in Section 1 by $2,427,000 to reflect the proper amount. The revised appropriation shall be $12,625,000. The $12,000,000 provides 70 percent of the projected nonfederal share of $17,000,000 for the flood control project, and the $625,000 provides 50% percent of the projected non share of $1,250,000 for environmental enhancements.

I am deleting section 2 of this bill. This section would have used public monies to fund improvements on private property (i.e house laterals for connection to a sewer system). While numerous sewer collection system projects have been funded by the State Water Resources Control Board (SWRCB) assistance programs, the costs of installation of the house laterals have always been paid for by the property owners. There is some question as to whether this appropriation is legal, or whether it would constitute a gift of public funds.

Cordially,

PETE WILSON

RECEIPT

I acknowledge receipt this 30th day of September 1998, at 11:57 p.m., of the Governor's statement of the items of appropriation reduced or eliminated from Assembly Bills Nos. 2274, 2794, and 1812 delivered to me personally by Karen Morgan.

LAWRENCE A. MURMAN
Assistant Chief Clerk of the Assembly

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

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 496.

This bill would enact the California Mathematics Initiative for Teaching, to be administered by the Commission on Teacher Credentialing, and appropriate $1.5 million for college-level mathematics coursework for teachers.

This bill requires the Commission on Teacher (CTC) to administer a loan assumption program. The CTC, however, has no experience in administering such a loan program. The author has committed to me to run clean-up legislation next year to require the Student Aid Commission to administer this loan program rather than the CTC.

Cordially,

PETE WILSON

Governor's Office, Sacramento
September 17, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 2730.

This bill would require the Commission on Teacher Credentialing to conduct a three-year pilot project of nontraditional teacher preparation programs and report its findings to the Legislature by August 15, 2002.

I am directing the Commission to issue an interim report no later than January 1, 2001 so that legislative changes necessary to implement their recommendations could be addressed by the Legislature sooner than August 15, 2002. Delaying standards for nontraditional programs could exacerbate California's shortage of qualified teachers. Colleges and universities need to develop innovative methods of delivering teacher training, while maintaining the high standards necessary to ensure the success of California's students.

Cordially,

PETE WILSON

Governor's Office, Sacramento
September 22, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 2597.

This bill would establish a 17-member California Drug-Free Commercial Truck and Bus Driver Task Force which would develop recommendations to improve the State's alcohol and drug policy for commercial truck and bus drivers.

The State's zero tolerance policy for drug and alcohol use by commercial drivers is in place and is being enforced. Rather than establishing a task force to study the issue, the Legislature should have passed legislation to strengthen our zero tolerance policy, and close any loopholes that exist in current law.

In signing this bill, it is my expectation that this task force will act quickly to recommend, and the Legislature will without further delay enact at a minimum mandatory drug testing and increased penalties. The safety of truck drivers and the general motoring public is too important to be put at continued grave risk by 10,000 drivers under the influence of intoxicating drugs, and those who would protect then—but not the public.

Cordially,

PETE WILSON

Governor's Office, Sacramento
September 27, 1998

To the Members of the California Assembly:

On this date I have signed Assembly Bill No. 1525.

This bill would amend the California Marketing Act of 1937 to authorize a California milk marketing order to offer coupons which may be redeemed for private brand name butter or cheese in its promotion efforts under specified circumstances, but only if such offering is incidental to the generic promotion of California milk products and

participation is made available on a nondiscriminatory basis to all retailers and producers of California milk products.

California marketing orders and commissions have played a key role in ensuring the success of agriculture in this state. However, marketing order programs have traditionally been limited to the generic promotion of specific products. They are paid by industry assessment, with the intended purpose of promoting the product, not the brand. A number of producers have expressed concern that expanding this promotion to include private brand or trade name coupons will negatively impact free competition, making it increasingly difficult for small independent brands to compete in the marketplace.

The commendable intent of the sponsors is to update the Act to enable California's milk producers to remain competitive with those from other states. However, the concerns expressed by opponents merit serious and careful attention. This bill contains a two-year sunset, during which the Department of Food and Agriculture must closely monitor and scrutinize the impacts of this provision on the cheese and butter markets. The responsibility is not theirs alone. Industry representatives must cooperate in making information available that will allow a full and complete analysis of all impacts prior to any discussion of reauthorization in the future.

As such, this program should be viewed solely as a pilot. The test will be not only whether it enhances markets for California milk products but does so on the non-discriminatory basis expressly required by the terms of the bill.

Cordially,

PETE WILSON

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly:

I am signing AB 1241 with the following understanding:

This bill provides authority to the Department of Fish and Game and to the Fish and Game Commission that is essential for sound management of marine living resources and sets a new course for fisheries management in California. However, any fair reading of the bill reveals that, due to its ambitious goals as an ''organic act'' for executive branch regulation, this herculean legislative effort contains some serious flaws that must be addressed in implementation and legislative clean up. As with any effort of this magnitude, a cautious interpretation will be the key to its success.

The current regulatory regime has been relied upon by commercial fishery participants as an orderly and well understood framework for carrying out their livelihoods as commercial enterprises for many years. Any new system must recognize and respect the importance of that order to existing fisheries, and this bill must be implemented in a way that does not undermine that system and create uncertainty and confusion that could destroy the confidence and lawful manner in which most commercial fishing businesses conduct themselves. For that reason, it is imperative that the new policies, fishery management plans, and procedures contained in this bill apply only to the fisheries named in the bill. Those fisheries are the nearshore finfish fishery, the white seabass fishery, emerging fisheries and, to the extent practicable,

fisheries for which the Commission or Department had regulatory authority prior to January 1, 1999. Practicability, in this context, shall be based on the resources available to the Department for scientific research, analysis, scientific review and public participation to meet the standards set in the bill

The procedural requirements of the bill will undoubtedly invite potentially costly processes, that will severely encumber the already limited resources that the Department and Commission have available for acquiring the scientific information for the fishery management plans. This bill, with a narrow exception, creates new duties but no commensurate funding. The small permit fee for nearshore commercial fishing boats will not cover the costs of the fishery management plan for that fishery complex. Corollary legislation that I signed this year authorizes $2.2 million upon appropriation annually from the Marine Life and Marine Reserve Management Account, beginning in FY 1999–2000, for marine fisheries management. However, the source of funds is uncertain, and may merely represent a redirection of funds within the Department, to the detriment of other legislated mandates. Although the bill states that its provisions apply to the extent that funding is available, expectations may well exceed available resources. There is no question that implementation of the specified fishery management plans and the preparation of the numerous reports are activities which are unfunded in the bill. I am therefore directing the Department to implement the provisions of this bill in proportion to the funds available.

Finally, it must be acknowledged that, even with the scope of the bill's applicability limited to the above named fisheries, this is an ambitious new scientific and regulatory endeavor for the Department and the Commission. The policies in this bill will be thoroughly assessed in the management of these three fisheries and hopefully provide a model for managing additional California fisheries. Because the bill's provisions are untested, time and evaluation are clearly needed to allow every constituency, including the Department and Commission, to ascertain the efficacy of this model before applying it to the entire ocean ecosystem. Therefore, I am also directing the Department to report to the Governor and Legislature by July 1, 1999 and by July 1, 2000 on their evaluation of this new management model, along with recommended legislative changes needed to clarify the terms of this bill and to streamline the administrative procedures it lays out. To assist in the completion of this task, I am directing the Department to establish an advisory committee, comprised of individuals from different parts of the state, representing commercial fishing, recreational fishing, seafood marketing, and academic interests.

On balance, this bill represents an opportunity to create a comprehensive, scientifically grounded, and consistent approach to management of marine fisheries off California's coast. There is sufficient reason to believe that with cautious implementation, the regulatory regime will in fact increase the resource and its harvestability, and thus merits my approval.

Cordially,

PETE WILSON

Governor's Office, Sacramento
September 30, 1998

To the Members of the California Assembly.

On this date I have signed Assembly Bill No. AB 117.

This bill would extend for 18 months the 25-cent-per-tire fee paid by consumers for deposit into the California Tire Recycling Fund (Fund). The revenues generated by this fee are used to promote and develop alternatives to the landfill disposal of whole waste tires, protect the public health and safety and the environment. This bill would require the Integrated Waste Management Board (IWMB) to report on the status of waste tire and programs needed to provide sustainable end uses. It also states that the IWMB should emphasize permitting, enforcement, and cleanup of waste tires when administering the Fund.

To date, the IWMB appears to have done a relatively good job at diverting tires from landfills. However, there remains approximately 15 million tires stockpiled around the state. In the past decade, the most significant reduction in those stockpiled tires has resulted from accidental fires. The most recent fire occurred at the so-called Royster tire pile near Tracy. Collectively, the estimated 9–10 million tires consumed by fire in the recent past, which burn uncontrolled when they catch fire, represent the most egregious threat to the environment. The thick, black smoke degrades air quality with toxic plumes, and the residue poses a potential threat to water as contaminated ash blankets surface water located in the area, and poses the threat of leaching into the soil and finding its way to the groundwater table.

The goal of any environmental regulatory structure is to contain the damage to the environment and then move as quickly as possible to eliminate the threat to public health and safety. Accordingly, as a companion to this bill, I am issuing an Executive Order directing the IWMB and the Department of Finance to consult and coordinate to maximize available reserves in the waste tire account toward cleanup and abatement of stockpiled tires. I am further directing the Waste Board to assess its budgeting priorities and direct the revenue garnered from this fee extension to those purposes that the Legislature has directed it to emphasize.

In this way, further impetus is given to the effect of this bipartisan legislation, and keeps faith with our commitment to environmental stewardship.

Cordially,

PETE WILSON

ANTONIO R. VILLARAIGOSA, Speaker

PAM CAVILEER, Minute Clerk

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