

[113]-043.015.004.000

THE 1992 ANNUAL LEGISLATIVE REPORT

TO THE
SAN DIEGO COUNTY
BOARD OF SUPERVISORS

NOVEMBER 1, 1992

Patricia Gayman
Sacramento Representative

Patricia Gayman
SACRAMENTO REPRESENTATIVE
COUNTY OF SAN DIEGO



To: Supervisor George Bailey, Chairperson
Supervisor Brian Bilbray
Supervisor Susan Golding
Supervisor John MacDonald
Supervisor Leon Williams

From: Patricia Gayman

Date: November 1, 1992

Re: 1992 Legislative Report

Each legislative year has its own marks of distinction; this one was marked by interminability and increasing dissension. The huge budget deficit at the State level severely strained the decision mechanisms of the legislative and executive branches. The impending election didn't help much, either.

As your Board knows, the protracted deadlock lasted 64 days, a record as far as anyone here can remember. The word on the street for next year is "Don't plan a July vacation".

Another characteristic of this legislative session was the increased friction between counties and other local governments (particularly cities) as the Legislature and the Governor were attempting to apportion "hits" to the various levels of government.

Without a doubt, this friction will spill over into next year (and years to follow) as the State squeezes local governments and in effect pits them against each other in an effort to deal with budget shortfalls. Public policy is rarely a consideration as Sacramento grapples with the least politically harmful way of coping with inadequate revenues.

Friction is potentially always present when cuts have to be allocated among counties. (Already the staff in the Capitol is saying that the rest of the AB 8 property tax shift will probably be taken next year.) Earlier this year when the proposal first surfaced for the state to take a portion of the counties' AB 8 property tax, the Office of the Legislative Analyst proposed a formula that would have cost San Diego County

millions of dollars more than "our fair share". John Sweeten and his staff at OIA spent many, many hours working over the numbers to attempt to understand how the LAO had derived its numbers and to then rework those numbers for a more equitable distribution of the reduction. They were able to come up with a formula that not only saved San Diego County substantial revenue, but also helped 46 other counties.

Your Board again this year significantly aided our legislative efforts with your visits and your phone calls. With the addition of four brand new Assembly Members (Connolly, Goldsmith, Haynes, and Morrow) and two Senators new to San Diego (Kelley - he, years ago, had a part of San Diego County - and Presley), your continued personal involvement will be critical to the advancement of the legislative program.

The San Diego Delegation has been extremely supportive of your goals and has been extraordinarily helpful in seeing to it that the County gets a fair shake with respect to the other counties.

The Office of Intergovernmental Affairs, as always, has been stellar in its coordination of the myriad issues in which your Board has expressed an interest. CSAC, also, has been especially helpful in responding to particular issues that affect San Diego County.

Lastly, kudos to Randy Meecham. Randy put in an astounding amount of time and energy in Sacramento working on county health issues, particularly with respect to Section 17000 negotiations.

Below is a discussion of some of the more noteworthy legislative activities of the year. Inasmuch as your Board has already received information relative to the budget and, specifically, trial court funding, they are not addressed in this report. Also included is a list of the bills which your Board sponsored or took a position on and their disposition.

SB 2557 - BOOKING FEES

Although this bill allowing the counties to collect booking fees and property tax administration costs from the cities passed two years ago, the issue is never dead. All efforts to repeal the provisions of SB 2557 were repelled with the exception of Assembly Member Peace's AB 2686 which exempted hospital districts from paying their share of property tax administration costs. This bill was subsequently amended to provide that exemptions could be granted only to those hospitals demonstrating uncompensated health care service to indigents equalling the amount of the administrative fee.

There were provisions enacted in SB 1559 of this year that clarify portions of SB 2557. But it seems clear that the cities will continue to fight the booking fee and will introduce

legislation next year to repeal or substantially amend it.

SB 1559 (NO AUTHOR) - COUNTY REFORM

All during the lengthy discussions on the budget, counties attempted to get recognition for some of the "special" things we wanted, e.g. redevelopment reform, annexation and incorporation reform, SB 2557 clean-up.

Toward the end of the session it appeared that we would be able to get some of the provisions that we had been asking for. Working with legislative staff, CSAC drafted language and moved it from bill to bill as circumstances changed.

When the bill surfaced, it was a knock-down fight with the cities to secure its passage. They were particularly concerned about the SB 2557 clean-up and the incorporation features of the bill.

When the dust settled, the bill was passed 41 votes in the Assembly and 21 votes in the Senate.

Concerted effort with the Office of Planning and Research and the Governor's Office resulted in the Governor's signing the bill.

Activity on this bill culminated a year of growing acrimony between counties and cities as these entities battle each other for scarce resources to serve the same people.

(It is interesting to note that this year the controversial budget bills like this one were all authored by "no author". Members don't want their names in prominent places on these measures.)

REALIGNMENT

There were umpty-jillionty meetings held on realignment during the year and CSAC was prepared to go forward with a bill until Assembly Member Bronzan, chairman of the Assembly Health Committee, decided he wanted different provisions from what the counties wanted. So...nothing happened.

Mr. Bronzan's recent announcement that he is retiring from the Assembly in January to work for the University of California Medical Center will most definitely change the course of how the Assembly views realignment. To date the Speaker has not appointed a new chairman.

EDGEMOOR

During the Budget negotiations there was serious discussion

of changing the way distinct part skilled nursing facilities were reimbursed by the State. Any of the alternatives put forth would have jeopardized the certainty of funding for Edgemoor. We joined with others, most notably San Francisco, to keep the current process in place.

SB 1458 (MELLO) - AREA AGENCIES ON AGING
AB 2735 (COSTA)

Despite the efforts of Senator Deddeh and Assembly Member Bentley, these two bills relating to funding for senior citizen programs were enacted. The funding formula advantaged just enough counties that the bill could not be stopped.

But, the Governor vetoed both bills - the "no" votes that we and Orange County managed to get along the way probably making his action easier. This issue will be revisited next year.

AB 3734 (HAUSER) - CITY REPRESENTATION ON APCD'S

This bill putting city representation on all Air Pollution Control Districts in the state was sponsored by the League of Cities and sailed through the Assembly. Supervisor Bilbray helped energize our delegation and the Sierra Club against the provisions of this bill.

In the Senate opposition to the bill mounted as CSAC also joined in opposition. It barely survived the Senate Floor.

The bill was one of the measures taken up for concurrence at the end of the session. Assembly Member Peace's personal assault on the bill plus Assembly Member Bentley's role in reversing the Republican Caucus position resulted in a defeat of this bill.

The League has promised us, however, that this bill will be back again next year.

SB 167 (DEDDEH) - JAIL SALES TAX
AB 1356 (BENTLEY)

These measures clarifying the law regarding Proposition A on the November ballot were done in record time due in large measure to the efforts of Senator Deddeh and Assembly Member Bentley. Sometimes it is possible to get the legislative process to move with unaccustomed speed.

AB 2409 (ISENBERG) - COLLECTION OF DELINQUENT FINES

With the help of Assembly Member Bentley and CSAC, AB 2409

(an omnibus trial court funding bill) was amended to allow for the recovery of administrative costs for the collection of delinquent fines and forfeitures before distribution to the cities and state. This change in law will enable San Diego County to continue the program and provide incentive for many counties to initiate a similar program.

AB 2448 (BENTLEY) - ALTERNATE PUBLIC DEFENDER

At the beginning of the year, this bill requiring court appointment of the Public Defender for minors in dependency matters and the Alternate Public Defender for indigent parents was considered "dead on arrival". But County Counsel staff and the Assembly Public Safety Staff ironed out enough of their differences that the bill proceeded to the Governor's desk and was signed.

AB 3688 (GOTCH) - INTERAGENCY SHARING

Inspired by New Beginnings, this bill will allow a more open exchange of confidential information among public agencies trying to provide more effective services to the same clients.

AB 2381 (PEACE) - KILLER BEES

It seemed only appropriate that Assembly Member Peace should be the author of the Killer Bee bill since he has a nodding acquaintance with Killer Tomatoes. He agreed. Now that the bill has become law, perhaps more hobbyists will inform the county of the location of their hives, so that the county can keep them apprised of the activities of the bad bees.

AB 2451 (ALPERT) - OFF-TRACK BETTING TRUST FUNDS

AB 2451 allocates directly to the San Dieguito River Valley Regional Open Space Park Joint Powers Authority the County's proceeds from off-track betting revenues at the Del Mar race track.

The following pages contain a list of bills the Board of Supervisors of the County of San Diego either sponsored or had a position on.

Bill positions have been abbreviated as follows:

P - Program
S - Support
S/A - Support and seek amendment
SifA - Support if amended
SinConc - Support in concept
O - Oppose
O/A - Oppose and seek amendment
OunA - Oppose unless amended
M-2 - Legislative Board Policy

Committees abbreviated in the status column are:

A - Assembly
S - Senate

Appr - Appropriations Committee
B F & BI - Banking, Finance and Bonded Indebtedness Committee
Conf - Conference Committee
E & R - Elections and Reapportionment Committees
H & C D - Housing and Community Development Committee
I F - Inactive file
Loc Gov - Local Government Committee
Nat Res - Natural Resources Committee
Trans - Transportation Committee
W P & WL - Water, Parks & Wildlife Committee

Veto Messages follow the bill report.

SENATE BILL RECORD

<u>BILL #</u>	<u>DATE/POSITION</u>	<u>AUTHOR</u>	<u>SUBJECT</u>	<u>STATUS</u>
SB 40	3/12 - O M-2	Hart	Property tax administration	Died on file
SB 61	3/12 - O M-2 1/21/92 N	C. Green	Booking fees	
SB 72	3/12 - O M-2	Davis	Booking fees	Died on file
SB 147	4/10 - Sifa 2/14/92 -N	Thompson	Rural counties: waiver of program costs (Subject matter changed as of 2/14 amendment)	
SB 151	7/30 - S	Ayala	Home Detention Program	CHAPTER
SB 166	1/29 - S	Watson	Medi-Cal: pregnant women and infants	A-W & M-held
SB 167	P	Deddeh	Transaction & use tax	CHAPTER 259
SB 203	3/12 - S M-2	Maddy	City and county fiscal affairs	Died on file
SB 208	5/21 - O 1/28/92 N	Kopp	Records (Subject matter changed as of 1/28 amendment)	
SB 212	2/14 - S M-2 1/28/92 -N	Alquist	Courthouse construction (Subject matter changed as of 1/28 amendment)	

SB 352	7/9 - O	C.Green	Air pollution: environmental impact reports	Died on file
SB 376	8/13 - O 1/13/92 -N	Hill	Sales and Use of Tobacco (Subject matter changed as of 1/13 amendment)	
SB 581	6/19 - S	Royce	Workers' compensation: liability	Died on file
SB 602	4/7 - S/A	Presley	Public records: confidentiality	Chapter 1242
SB 628	4/9 - S	Maddy	County finance	Died on file
SB 690	Proposal #9	McCorquodale	AFCD-Foster Care: Temporary shelters	Vetoed - 9/30
SB 773	5/14 - S 1/7 - N	Bergeson	Local Government Organization (Subject matter changed as of 1/28 amendment)	
SB 802	5/20 - S	Royce	Public assistance: early fraud detection prevention program	Died on file
SB 984	5/21-OunA/SifA 3/17/92 -N	Watson	Short-Doyle Program: local assistance (Subject matter changed as of 3/17 amendment)	
SB 992	6/16 - S/A	Royce	Sales and use taxes: refunds offsets	Chapter 802
SB 1225	4/29 SinConc N	Killea	San Diego Area Wastewater Management District	
SB 1248	8/11-SifA/OunA	McCorquodale	Wildlife habitat preservation and enhancement	A-W P & WL
SB 1294	6/2 - S	Presley	Motor vehicle inspection program report	Chapter 677
SB 1330	2/7 - O	Roberti	Redevelopment	Failed
SB 1355	3/16 - O M-2	L. Greene	Qualified special taxes: school districts: administrative costs	Vetoed 8/10
SB 1363	5/19 - S	Mello	Diversion	Chapter 680

SB 1406	3/20 M-2	- O	Davis	Local Government Reorganization	Chapter 365
SB 1467		S	L. Greene	Consolidation of health & human services functions	Chapter 340
SB 1458	8/4	- O	Mello	Intrastate funding formula	Vetoed 9/26
SB 1511	4/20	- S	Bergeson	Unimproved public property: liability	S-Judiciary-died
SB 1538	3/25 M-2	- O	Kopp	Open meetings of local government	Vetoed 9/30
SB 1539	6/9	- OunA	Lockyer	Workers' compensation insurance	Vetoed 9/23
SB 1555	3/23 M-2	- O	C.Green	Local government finance: property tax revenues: allocation: administrative costs	S-Loc Gov-died
SB 1585	6/9	- S	Bergeson	Workers' compensation	Conference-died
SB 1589	8/3	- O	Kopp	Housing elements	A-Loc Gov-died
SB 1596	6/2	- OunA	Maddy	Environmental permits: oversight	A-Nat Res -died
SB 1668	6/16	- S	Beverly	Solid waste	A-Nat Res-died
SB 1711	3/31	- O	Bergeson	Redevelopment	Chapter 1356
SB 1724	3/24 M-2 4/21	- OunA - N (per MB)	Thompson	Sale or lease of surplus government land: school districts	
SB 1741	Proposal #00		Killea	Certified mail	Chapter 288
SB 1792	6/2	- S	Presley	Smog check and automotive repair	Chapter 674

SB 1904	6/9	- S	Johnston	Workers' compensation	Vetoed 9/23
SB 2003	5/19	- S/A	Lockyer	Criminal procedure	Chapter 264
SB 2034	7/14	- S	Bergeson	Sewage and other waste: discharge	Chapter 410
SCA 3	8/13	- S	Maddy	Statewide initiative measures: single	A-E & R - failed
SCA 9	8/13	- Sifa	Roberti	Stateside initiative measures	A-I F - died
SCA 10	8/13	- S	Killea	Initiative statutes: bond measures	A-B, F & BI-died
SCA 11	6/13	- S	Morgan	Bonded indebtedness	A-I F - died
SCA 14	4/30	- S/A	Hill	Courts: taxation	S-Judiciary-failed

ASSEMBLY BILL RECORD

<u>BILL #</u>	<u>DATE/POSITION</u>	<u>AUTHOR</u>	<u>SUBJECT</u>	<u>STATUS</u>
AB 350	3/11 - S	Costa	River riparian parkway plans	Vetoed 9/22
AB 388	2/19 - O 1/27 - N	Peace	Airports (Subject matter changed as of 1/27 amendment)	
AB 395	7/9 - S	Costa	Public improvements: assessments for natural habitat	Vetoed 9/26
AB 651	Proposal # 5	Bentley	Birth certificate fees	Died on file
AB 810	Proposal #17	Bentley	Security deposit waiver on current property taxes on subdivision map	Died on file
AB 819	6/9 - S	Speier	Healing arts: referrals	S-Conf - failed
AB 856	Proposal #6 N	Hunter	Welfare reform demonstration project waiver authority (Subject matter changed as of 4/1/92 amendment)	
AB 913	7/23 - S	Hunter	State Route 125	S-Trans-fail
AB 931	4/29 - S	Cannella	Development project: fees	Died on file
AB 935	4/7/92 - O	Umberg	Mobilehome parks: rent control	S-Judiciary-failed
AB 1012	5/17 - S	Bates	Public assistance programs: administration	Chapter 719
AB 1125	7/23 - O 1/29 - N	Peace	State Route 125 (Subject matter changed as of 1/29/92 amendment)	

AB 1225	Proposal #8	Hunter	AFDC-Foster Care: Annual eligibility review	S-H & H S-died
AB 1417	8/13 - O	Friedman	Public safety officers: administrative hearing	S-Appr-died
AB 1823	4/29 - S N	Bentley	Payment of fines	
AB 1846	4/22 - S N	Gotch	Schools: development	
AB 2067	2/20 - O	Floyd	Public Safety Officers	Interim study
AB 2078	7/30 - S	Gotch	Financial responsibility	Vetoed 9/30
AB 2092	6/10 - S	Sher	Solid waste: plans and fees	Chapter 105
AB 2161	Proposal #8 (1991)	Kelley	Rollover unexpended drug and alcohol funding	Died on file
AB 2197	4/7 - OunA	Bane	Property taxation: apportionments and allocations: audit	S-Loc Gov-held
AB 2292	6/2 - S/A	Hannigan	Disposal of agricultural waste	Chapter 591
AB 2381	Proposal #15a	Peace	Apiary registration fee waiver	Chapter 156
AB 2391	5/19 - S	Moore	Local government permits: economic reports	Chapter 1238
AB 2448	Proposal #6	Bentley	Alternate public defender	Chapter 433
AB 2451	Proposal #19	Alpert	Off-track betting trust funds	Chapter 239
AB 2479	2/7 - O	T. Friedman	Redevelopment	A-H&CD-fail
AB 2494	8/26 - S N	Sher	Wastewater	

AB 2510	6/2 - S/A	Kelley	Weights & measures: inspection fees	Chapter 1203
AB 2565	Proposal #25	Gotch	San Diego property tax	S-I F - died
AB 2570	6/9 - O	Margolin	Workers' compensation	A-I F - died
AB 2591	6/9 - S	Cortese	Consolidation of alcohol & drug programs	Chapter 584
AB 2674	3/23 - O	Moore	Public Records	A-G O - died
AB 2686	3/23 - O M-2	Peace	Finance: property tax revenue allocation: administrative costs	S-Loc Gov - died
AB 2735	8/4 - O	Costa	Intrastate funding formula	Vetoed 9/26
AB 2771	6/9 - S	Wright	Workers' compensation	Chapter 532
AB 2781	6/2 - SifA	Sher	Air pollution: permits	Chapter 1056
AB 2845	4/14 - SifA 6/24 - N	Alpert	Alcohol and drug programs	
AB 2905	5/19 - S/A 7/9 - N	Bentley	Collection of fines	
AB 2937	Proposal #4	Isenberg	Expanded use of electronic recording	A-Judiciary-died
AB 2989	4/20 - S	Chandler	Public entity: design immunity	Dropped
AB 3005	8/5 - S	Costa	Pest control: inspection fees	Chapter 1000
AB 3027	5/19 - S/A 10/8 - N	Filante	Property tax refunds: interest rate (Subject matter changed as of 10/8 amendment)	
AB 3455	4/7/91 - S	Elder	Courts: holidays	S-Judiciary-died

AB 3461	3/24 M-2	- O	B.Friedman	Water Quality	A-I F - died
AB 3464	6/9	- O	B. Friedman	Workers' compensation	Chapter 1056
AB 3555	5/19	- S	Farr	Crimes: drug diversion programs: certification	Chapter 1118
AB 3660	6/9	- S	Margolin	Workers' compensation	Chapter 1008
AB 3688	Proposal #2		Gotch	Interagency sharing of confidential information	Chapter 477
AB 3734	4/14	- O	Hauser	Air pollution: district governing boards	S-Floor - failed
AB 3790	6/2	- SifA	Gotch	Air pollution	Chapter 1126
ACA 1	2/7 M-2	- S	Klehs	Taxation: special taxes: imposition of local transactions and use taxes	A-I F - died
ACA 3	4/30	- SifA	McClintock	State-mandated local programs	A-Loc Gov - died
ACA 4	1/29	- S	Klehs	Fiscal affairs	A-Floor - died
ACA 6	4/23	- S	O'Connell	Local government facilities funds: bonds	A-Floor - died
ACA 19	4/2	- O	Elder	Redevelopment	A-H & C D - died
ACA 35	7/9	- SifA	Bronzan	Health & social services	A-Floor - died
ACA 56	4/28	- S/A	Bentley	Liberty of Conscience	A-Judiciary - died
AJR 70	6/16	- S/A	Eastin	Federal tax subsidies: recycled and virgin materials	Chapter 79



GOVERNOR PETE WILSON

September 23, 1992

To the Members of the California Senate:

I am returning Senate Bill No. 690 without my signature.

This bill would include "temporary shelter care facilities" under the definition of a community care facility for the purposes of licensure. The bill would also reduce or eliminate a number of restrictions pertaining to eligibility and funding for otherwise federally eligible children in foster care who are placed in these temporary facilities.

I am aware of the expanding need for temporary shelters for children and am equally aware of the need for increasing federal funding support to our programs. While the intent of this bill is to seek additional federal funding for county shelters, the bill contains language which is sufficiently unclear that implementation of its provisions could represent a substantial additional General Fund exposure.

Cordially,

A handwritten signature in cursive script that reads "Pete Wilson".

PETE WILSON



GOVERNOR'S OFFICE

August 10, 1992

To the Members of the California Senate:

I am returning Senate Bill No. 1355 without my signature.

This bill would limit the amount a county could charge for collecting and administering a special tax that has been imposed by a school district on or after January 1, 1993.

Counties have long held the authority to impose an administrative fee for collecting special taxes. Specifically, this authority was provided prior to passage of Senate Bill 2557 in 1990, which allowed counties to charge local governments, including school districts, fees for administration of the property tax. Subsequent legislation in 1991 repealed the provisions of SB 2557 related to school districts. However, that legislation did not exempt schools from the long standing statute allowing counties to charge for collecting special taxes.

In short, the property tax fee should not be confused with the special tax fee, nor is there any reason counties should not be allowed to recover their costs for collecting and administering special property taxes.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON



GOVERNOR PETE WILSON

To the Members of the California Senate:

I am returning Senate Bill No. 1458 without my signature.

This bill would create a new intrastate funding formula, which is the method by which federal and State funds for senior citizens' programs are distributed throughout California.

I cannot approve legislation that could jeopardize or discontinue vital services to California's senior citizens. First, I am concerned that the formula developed by the Legislature is inconsistent with requirements of the Older Americans Act (OAA). The Act requires the formula to reflect the proportion among the planning and service areas of persons age 60 and over in greatest economic or social need with particular attention to low-income minority individuals. The Act also requires the Department to review and update the formula in a timely manner. The formula contained in AB 2735 is not responsive to change in the population characteristics. For example, while the percentage of minority senior citizens increases each year, the percentage of the funds allocated to this group remains constant. Consequently, under this measure, the per capita funding for minority senior citizens would decrease each year, thereby violating a central requirement of the OAA.

Further, the formula contained in this legislation will not become effective until January 1, 1993, and the Department of Aging has been enjoined, in the case of Martinez v. Wilson, by the United States District Court, Central District of California from using the existing formula after September 30, 1992. Consequently, funds would not be available for three full months. This would represent an economic hardship for California's thirty-three Area Agencies on Aging (AAA), which have already had to endure significantly delayed payments due to the recently concluded budget discussions.

Page Two
SB 1458

Accordingly, I have instructed the Department to proceed with the distribution for federal OAA funds and required state matching funds by using the formula developed by the Department. This formula was found by the District Court to meet the requirements of the OAA and was developed in consultation with the AAAs. Further, the formula was the subject of nine public hearings held throughout the State.

I have been advised by the Attorney General's Office and by documents filed in the Martinez v. Wilson case regarding the intrastate funding formula, that authority for the development and implementation of the intrastate funding formula is within the purview of the Executive Branch, not the Legislature. In fact, the court has found the "The intrastate funding formula proposed by the California Department of Aging, the State agency responsible for developing California's intrastate funding formula, meets the requirements of the Older Americans Act ..." Accordingly, I have instructed the Department to proceed with implementation of its court-approved formula.

I recognize that additional State funds are available for nutrition services, over and above the federal matching requirements imposed on states. I believe that these additional funds represent an opportunity to minimize potential disruptions to California seniors that may occur as a result of the new formula.

I am cognizant of the importance of this issue to the senior citizens of California. This is our opportunity to move forward, implement the formula that the federal court approved, and ensure that California's senior citizens continue to receive these valuable services.

Cordially,



PETE WILSON



GOVERNOR PETE WILSON

SEP 30 1993

To the Members of the California Senate:

I am returning Senate Bill No. 1538 without my signature.

This bill would make a number of changes in the Ralph M. Brown Act relating to open meetings. It would expand the number of local agencies subject to the law, and expand notice, recordation, and recordkeeping requirements.

While I strongly support the provisions of the Brown Act, and have signed legislation strengthening its application, I am concerned that this bill would add substantial new state-mandated and reimbursable costs to local governments.

Current law requires that all local agencies give notice of their meetings, the subject matter of the meetings, and the fact that they are open to the public. This mandate was determined to be reimbursable, but was not funded in the 1992 Budget Act, and therefore was made optional for local government for 1992-93.

It would be an anomaly if this bill of lesser significance was chaptered and deemed reimbursable, while core provisions of the Brown Act were suspended pending a year with a better fiscal outlook.

I would consider this bill another year, when there is money available to provide the state-mandated reimbursement. However, I cannot approve mandating expensive new requirements while we are unable to afford the ones on the books today.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON



GOVERNOR PETE WILSON

To the Members of the California Senate:

I am returning Senate Bill No. 1539 without my signature.

This bill is part of the Legislature's three-bill package that purports to reform the workers' compensation system. It would increase maximum indemnity benefits for workers' compensation temporary and permanent disability claims.

The cost of this measure to California employers is estimated to be \$800 million annually, including the cost of the increased benefit levels and the cost of the increase in utilization that historically occurs when benefit levels are increased. This is an increase that will occur regardless of the effectiveness of any cost savings from the other measures.

Improvement of worker benefits is very much a part of the need for reform of California's workers' compensation system. But without the guarantee of the cost savings to employers needed to pay for such benefit increases, this package by itself is premature and unfair to employers -- especially small business owners, and therefore poses an even greater threat to them and the jobs of their employees.

This package is not nearly adequate to provide the measure of reform so clearly and urgently required if our workers' compensation system is not to continue to put California's jobs climate in serious jeopardy. It will preserve the gross inefficiencies of the system, exacerbate the burden on small employers, and increase the cost of workers' compensation to California employers.

Cordially,

A handwritten signature in dark ink, appearing to read "Pete Wilson".

PETE WILSON



GOVERNOR PETE WILSON

To the Members of the California Senate:

I am returning Senate Bill No. 1904 without my signature.

This bill is part of the Legislature's three-bill package that purports to reform the workers' compensation system. It would provide limited authority to manage medical treatment as in other health care delivery systems and replace the current minimum rate law applicable to workers' compensation insurance with a law that permits some competition in the initial price of workers' compensation insurance.

The Council on California Competitiveness and I have proposed authorizing the provision of medical treatment to injured workers through a managed care system in a manner similar to that proposed in this measure. Unfortunately, this bill makes this potentially valuable cost saving tool unavailable to many small employers by requiring, as a condition of participation in a workers' compensation managed care program, that the employer make available health insurance for nonindustrial injuries and illness to its employees and their dependents.

I have also supported replacing the minimum rate law with a rating law that promotes more price competition, but only if the other reforms of the system eliminate substantial costs. Changing a rating law does not change the underlying costs, only the manner in which the costs are financed. There is an inherent subsidy of small businesses in the current minimum rate law, estimated by the Department of Insurance to be in the range of 12 to 25 percent. Changing to a competitive rating law without simultaneously significantly reducing the underlying costs can be expected to cause an increase in costs to small employers. Given the weak, speculative cost savings in this package, an increase in premiums is exactly what many employers could expect if this package were to become law.



GOVERNOR PETE WILSON

September 22, 1992

To the Members of the California Assembly:

I am returning Assembly Bill No. 350 without my signature.

While I support integrated parkway and greenway planning, this bill contains ambiguities and provisions that are not responsive to water supply and flood control; moreover, this bill may actually stop or hinder, important flood control projects. This bill would create and add another board, the California Rivers Greenway Board, to state government in a time of fiscal scarcity. The roles and authorities to be given to the Board are already largely established in existing state agencies. Therefore, the bill would create overlap and duplication of responsibilities and programs in state government.

The legislation's goals have merit. However, the objectives outlined in this bill could be accomplished through a cooperative effort of departments within the Resources Agency. These departments have programs in place and have accumulated information which can be utilized to allow for cooperative management by state and local government to help preserve, protect and restore riparian habitat, and provide recreational amenities, flood control and other multiple use benefits associated with the state's waterways.

Moreover, this bill fails to provide any funding for its stated purposes. The policy implications of this measure cannot be divided from questions over the appropriate funding source. It is inappropriate to consider this legislation without knowing at what level and how funding will be provided.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON



GOVERNOR PETE WILSON

SEP 23 1992

To the Members of the California Assembly:

I am returning Assembly Bill No. 395 without my signature.

This bill would allow the use of the Landscape and Lighting Act of 1972 to establish and finance habitat conservation districts.

I am concerned with the provisions of this bill which would eliminate the requirement that a habitat maintenance district find that a parcel will receive a direct benefit prior to imposing an assessment to fund natural habitat facilities and programs. This is an unwarranted expansion of the definition of benefit assessment. Under these provisions, instead of determining which area will benefit from a proposed "improvement" and including only those parcels within the district, this bill would allow a jurisdiction to establish the boundaries it determines would be politically feasible, and then institutes a presumption that all land developed within that area has somehow benefitted. This is an unwarranted expansion of benefit assessment law.

Moreover, while proposed assessments can be abandoned if protests are received from a majority of the affected residents, those protests are overridden by a 4/5 vote of the board or council. I cannot support a mechanism that would increase costs to property owners without at least requiring an election if there is some level of protest.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON



GOVERNOR'S OFFICE

SEP 30 1992

To the Members of the California Assembly:

I am returning Assembly Bill No. 2078 without my signature.

This bill would require drivers to provide proof of insurance upon a peace officer's request, and would re-establish elements of the Proof of Financial Responsibility statute which sunsetted on January 1, 1990.

All drivers should have automobile insurance. However, until the Legislature enacts meaningful auto insurance reform that provides affordable insurance, this requirement and other more drastic measures such as proof of insurance for vehicle registration, merely penalize the working low-income drivers who need but cannot afford auto insurance that is unjustifiably expensive in this state. The penalties under this measure would largely be borne by California's low income citizens, and would be unfair.

I will continue to work with consumer groups and others who advocate no-fault auto insurance reform as the most effective means to bring about affordable automobile insurance in California.

When needed auto insurance is within reach of working families, there will be little need for this bill. And until then, it poses an unjust Hobson's choice upon them: either they break the law or assume a burden they can't afford.

Cordially,

A handwritten signature in black ink that reads "Pete Wilson".

PETE WILSON



GOVERNOR PETE WILSON

To the Members of the California Assembly:

I am returning Assembly Bill No. 2735 without my signature.

This bill would create a new intrastate funding formula, which is the method by which federal and State funds for senior citizens' programs are distributed throughout California.

I cannot approve legislation that could jeopardize or discontinue vital services to California's senior citizens. First, I am concerned that the formula developed by the Legislature is inconsistent with requirements of the Older Americans Act (OAA). The Act requires the formula to reflect the proportion among the planning and service areas of persons age 60 and over in greatest economic or social need with particular attention to low-income minority individuals. The Act also requires the Department to review and update the formula in a timely manner. The formula contained in AB 2735 is not responsive to change in the population characteristics. For example, while the percentage of minority senior citizens increases each year, the percentage of the funds allocated to this group remains constant. Consequently, under this measure, the per capita funding for minority senior citizens would decrease each year, thereby violating a central requirement of the OAA.

Further, the formula contained in this legislation will not become effective until January 1, 1993, and the Department of Aging has been enjoined, in the case of Martinez v. Wilson, by the United States District Court, Central District of California from using the existing formula after September 30, 1992. Consequently, funds would not be available for three full months. This would represent an economic hardship for California's thirty-three Area Agencies on Aging (AAA), which have already had to endure significantly delayed payments due to the recently concluded budget discussions.

Accordingly, I have instructed the Department to proceed with the distribution for federal OAA funds and required state matching funds by using the formula developed by the Department. This formula was found by the District Court to meet the requirements of the OAA and was developed in consultation with the AAAs. Further, the formula was the subject of nine public hearings held throughout the State.

I have been advised by the Attorney General's Office and by documents filed in the Martinez v. Wilson case regarding the intrastate funding formula, that authority for the development and implementation of the intrastate funding formula is within the purview of the Executive Branch, not the Legislature. In fact, the court has found the "The intrastate funding formula proposed by the California Department of Aging, the State agency responsible for developing California's intrastate funding formula, meets the requirements of the Older Americans Act ..." Accordingly, I have instructed the Department to proceed with implementation of its court-approved formula.

I recognize that additional State funds are available for nutrition services, over and above the federal matching requirements imposed on states. I believe that these additional funds represent an opportunity to minimize potential disruptions to California seniors that may occur as a result of the new formula.

I am cognizant of the importance of this issue to the senior citizens of California. This is our opportunity to move forward, implement the formula that the federal court approved, and ensure that California's senior citizens continue to receive these valuable services.

Cordially,



PETE WILSON