



# Tidbits from Sacramento

*Griffin & Associates*  
*Legislative and Governmental Advocacy*  
*"We Open Doors - We Get Results"*

1121 L Street, Suite 210 • Sacramento, CA 95814  
(916) 448-9275 • [www.mjgriffin.com](http://www.mjgriffin.com)

February 10, 2008 - Issue #21

## **ELECTION WEEK - WINNERS & LOSERS**

February 6 was a very long day. The Presidential primary contest appeared to be settled fairly early based on the returns from the 22 "Super Tuesday" states, including California. However, it was early Wednesday morning before most Californians knew the outcome of our ballot propositions. Millions of dollars had been spent on Propositions 93, 94, 95, 96 and 97.

Proposition 93 was the term limit initiative that was supported and funded by key legislators. The early returns were too close to call, but by Wednesday morning, the final vote was 53.6 percent opposed to 46.4 percent support. The "No on Prop. 93 was financed by a number of entities, with Insurance Commissioner Steve Poizner spending \$2.5 million of his own money to defeat the measure. The Commissioner is rumored to have an interest in running for Governor in 2010 which may have increased his interest in this measure.

Propositions 94, 95, 96 and 97 were successful despite millions of dollars spent to defeat these measures by those who believed that their passage would be detrimental to their interests. Considerable monies were also spent to support their passage. Television ads seemed to be on all channels with both pro and con messages.

These propositions were the result of negotiated compacts between the Governor and the Pechanga, Agua Caliente, Sycuan and Morongo Indian Tribes, all of which currently have large casinos. The compacts were also approved by the federal government. The passage of these four propositions allows a total of 17,000 new slot machines to be added to the existing four tribes' casinos. It also provides that the State would receive a cut of the revenues from the casinos. Given the current status of the State deficit, this may have been an incentive for passage of these propositions.

## **IMPACT OF THE ELECTIONS**

Prop. 93 - Of all the propositions, this one probably has had the most political impact. When a change of this magnitude occurs, it is important that the changing of the guard be done in a manner that does not impede the ability of the entities to conduct the people business. - sometimes easier said than done. However, the Senate Democratic Caucus has certainly taken the high ground in this coming change of leadership. I expect the same of the Senate Republicans when they move forward with their changes.

## **The Challenges Ahead**

- Three of the four leaders of the Legislature will be termed out under current law, Senators Perata and Ackerman, and Assembly Speaker Nunez.
- The only non casualty is the Assembly Minority Leader, Mike Villines. Mike will be termed out in 2010.
- 33 Legislators will be termed out this year out of the 120 members, a quarter of the Senate and Assembly
- 23 Assembly members will be termed out, a number of them without a viable Senate seat. Some are running for an open Senate seat and may be successful, providing some experience for the Senate.
- **The Senate:**
  - The Senate civility prevails. The day following the elections, Senate Pro Tem Perata announced that Senator Darrell Steinberg (D-Sacramento) will take over the helm of the Senate. A formal vote is scheduled for August 21. Democrats have a 25/15 member count over the Republicans and thus Democrats will continue to control the top leadership position
  - With Senator Perata keeping the leadership position, but making it clear that Senator Steinberg will be his successor, an orderly transition will be in order and that will assist all the Senate members in addressing the critical budget and other issues facing the State.
  - On the Senate Republican side, there will be several members willing to take on the Senate minority leadership. However, at this time, there is little or no information on any specific Senator who would be willing to take on the Senate Minority Leadership and would be elected by his colleagues. Four Republican Senators are termed out this year. Four will be termed out in 2010, five in 2012 and two in 2014.

## **The Assembly:**

Assembly Speaker Nunez has set the date of March 11 for his 48 member Democratic Caucus to elect a new Speaker. It will take at least 25 members of his Caucus to unite behind one member; otherwise Nunez will provide more time for his members to come up with a candidate.

Nunez is officially termed out on December 1 and for continuity may retain his Speakership through the end of the current session, particularly given the budget deficit.

There is no lack of democrats for the job of Speaker. There are at least 6 of his members who have made it clear they want the job.

## **HEALTHCARE REFORM -- IT IS NOT OVER YET!!**

There are a number of bills in the legislature that are alive and well that could be used for some healthcare issues. While I don't believe there will be an attempt to move a comprehensive bill through this year, I believe we will see several bills to address specific issues. Several bills are well positioned and could become viable bills to address children's health issues.

There is still agreement, particularly among the business community, the health community and others that the current healthcare system is broken. Healthcare will continue to be on many agenda in the coming months. It will be a discussion item for one of my volunteer

groups, the National Association of Women Business Owners (NAWBO-CA) when we meet in early April. Also, I am working with a coalition of small business organizations to identify several key issues we will be addressing in the coming month; healthcare is high on the list.

### **CALIFORNIA'S FISCAL CRISIS**

I watched the Senate Budget Hearings last week as the committee listened to the various departments explain their 10 percent cuts. This was requested by the Governor to address the special session fiscal emergency. These cuts were proposed to be effective as soon as possible to impact the current '07-'08 budget. This would be a daunting challenge for anyone when we are now in the 8th month of the budget year.

Healthcare, particularly the Medi-Cal Programs were on the chopping block. The lineup of the aged, blind and disabled and their supporters was pretty difficult to watch. While I have seen this drama many times, it never fails to bother me. Not only would some of the most vulnerable recipients depending on Medi-Cal for their healthcare potentially be affected, but cuts were also proposed for physicians, hospitals and long term care facilities.

While the concept of cutting as soon as possible sounded good on January 11, I do not expect that the legislature will pass these cuts. It will however, set the stage for a difficult and certainly challenging time for all involved in crafting a balanced budget this year. We don't have a lot of options.

### **MINI TIDBITS**

The Legislative Analyst's Office has recommended that the legislature reject the Governor's plan to give the prison officers' union a 5 percent pay raise - a savings of \$260 million.

February 22 is the deadline to introduce legislation this year. I expect we will see less bills introduced than usual given the bleak outlook of our economy. Also affecting the number of bills will be the election, many members will spend time campaigning to stay in office or finding another position.

According to the Capitol Alert, there is one person who is pleased that the Speaker will be termed out -- his 7 year old son. The Speaker told the story that his son said his dad will now have more time to spend with him. There is a silver-lining for the Nunez family.

The new prison healthcare receiver, Clark Kelso (he replaced Bob Sillen) is closing the receiver's San Jose Office. The entire operation will be moved to Sacramento to better coordinate and manage his responsibilities.