

CALIFORNIA LEGISLATURE
2009–10 FOURTH EXTRAORDINARY SESSION

SENATE DAILY JOURNAL

FIRST LEGISLATIVE DAY

IN SENATE

Senate Chamber, Sacramento
Monday, July 6, 2009

Pursuant of the provisions of the Proclamation of Governor Arnold Schwarzenegger, the 2009–2010 Fourth Extraordinary Session was called to order by Senator Darrell Steinberg, at 1:47 p.m.

Pursuant to Section 9150 of the Government Code, David Valverde, Acting Secretary of the Senate; Tony Beard Jr., Sergeant at Arms; and Paula K. Rossetto, Minute Clerk, were in their respective places.

Assistant Secretary Zach Twilla reading.

ROLL CALL

The roll was called and the following Senators answered to their names:

Aanestad, Alquist, Ashburn, Benoit, Calderon, Cedillo, Corbett, Correa, Cox, Denham, DeSaulnier, Ducheny, Dutton, Florez, Hancock, Harman, Hollingsworth, Huff, Kehoe, Leno, Liu, Lowenthal, Maldonado, Negrete McLeod, Padilla, Pavley, Price, Romero, Runner, Simitian, Steinberg, Strickland, Walters, Wiggins, Wolk, Wright, Wyland, and Yee—38.

Quorum present.

(NOTE: Senator Oropeza will be excused this day due to family illness and Senator Cogdill will be excused this day due to illness.)



PRAYER

Upon invitation of the President, the following prayer was offered by Rev. Michael Moran, Senior Minister, Spiritual Life Center:

This weekend the nation celebrated our 233rd birthday. The American dream was set in motion, the freedom seed was planted into the fertile soil of this young nation's soul.

Langston Hughes, the brilliant American poet and author wrote a poem called "Freedoms Plow" which offered hope that even though this great experiment called American Democracy was not perfect yet, it was in process. Let me share just a few lines from "Freedoms Plow".

America is a dream.
The poet says it was promises.
The people say it is promises—that will come true.
The people do not always say things out loud,
Nor write them down on paper.
The people often hold
Great thoughts in their deepest hearts
And sometimes only blunderingly express them,
Haltingly and stumblingly say them
And faultingly put them into practice.
The people do not always understand each other,
But there is, somewhere there,
Always the trying to understand,
And the trying to say,
"You are a man. Together we are building our land."

America!
Land created in common.
Dream nourished in common.
Keep your hand on the plow! Hold on!
If the house is not yet finished,
Don't be discouraged builder!
If the fight is not yet won,
Do not be weary, soldier!
The plan and pattern is here,
Woven from the beginning
Into the warp and woof of America!

My dear brothers and sisters, entrusted with the good will of those who elected you, we believe in you, and pray that you will be guided to rebuild trust and bring order back to the great State of California.

May the God of Order and Peace be with each of you chosen to guide the destiny of our great state's citizens and industry. May the God of Wisdom and Understanding imbue you with the humility to listen to reason, and the courage to act in the best interest for all concerned. May you work in harmony with one another, as you blaze a new road to a bright



future for all our people. We have faith in you and ask this in the name and through the power of All that is Good, Sacred and Holy.

Om Shanti, Shalom, Salam, Peace.

PLEDGE OF ALLEGIANCE TO THE FLAG

Senator Alquist led the Senate in the pledge of allegiance to the Flag.

MESSAGES FROM THE GOVERNOR

A PROCLAMATION

by the Governor of the State of California

WHEREAS on this date, pursuant to Section 10(f) of Article IV of the Constitution of the State of California, I have proclaimed a fiscal emergency; and

WHEREAS on this date, I am submitting to the Legislature proposed legislation to address that fiscal emergency; and

WHEREAS this extraordinary occasion having arisen and now existing, it requires that the Legislature of the State of California be convened in extraordinary session.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, by virtue of the power and authority vested in me in accordance with Section 10(f) of Article IV of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet in extraordinary session at Sacramento, California on the 1st day of July, 2009, at a time to be determined, to consider and act upon legislation to address the fiscal emergency proclaimed by me this day.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 1st day of July, 2009.

ARNOLD SCHWARZENEGGER
Governor of California

[SEAL]

ATTEST:

DEBRA BOWEN
Secretary of State

A PROCLAMATION

by the Governor of the State of California

WHEREAS the global recession has caused California's revenues to continue to plummet, leaving our state with an unprecedented budget deficit that forces the State to take drastic actions to fix it that will affect every Californian; and

WHEREAS on November 6, 2008, and again on December 1, 2008, due to concerns regarding dramatically declining revenues and worsening economy, I issued a Special Session Proclamation and convened the



Legislature of the State of California to meet in extraordinary session to address the fiscal crisis that California faces; and

WHEREAS on February 20, 2009, a revised state budget for fiscal year 2008–09 was adopted and a state budget for fiscal year 2009–10 was adopted; and

WHEREAS within a few weeks after the passage of these budgets, the global recession caused California's revenues to worsen even more, thus creating a new budget deficit of approximately \$15.4 billion for fiscal years 2008–09 and 2009–10; and

WHEREAS on May 20, 2009, after the failure of Propositions 1A through 1E, California faced a budget deficit of \$21.3 billion for fiscal years 2008–09 and 2009–10; and

WHEREAS California planned to borrow up to \$6 billion through Reimbursement Warrants (commonly referred to as "RAWs") to address part of the budget deficit, but this short-term borrowing is no longer an available option due to the recent decision of the federal government not to provide financial assistance or loan guarantees for this emergency, short-term borrowing; and

WHEREAS the state's inability to borrow through RAWs will result in more severe spending cuts in the state's programs and services; and

WHEREAS on May 22, 2009, the Legislative Analyst predicted that the Governor's May Revision revenue projections may prove overly optimistic, and instead, projected that the drop in revenues will be at least \$3 billion worse than projected putting the size of the state's shortfall at more than \$24 billion for fiscal years 2008–09 and 2009–10; and

WHEREAS the State Controller has determined that the State's \$2.8 billion cash shortage in July 2009 will grow to \$6.5 billion in September, and a double-digit freefall after September; and

WHEREAS the State Controller has determined that without effective action to address the budget and cash crisis, the State will have insufficient cash to meet its obligations starting July 2009 and will need to issue registered warrants (IOUs) in order to preserve cash and protect payments the State must make to fund education and repay outstanding debt; and

WHEREAS on June 30, 2009, the Legislature failed to take action to pass a revised budget for fiscal years 2008–09 and 2009–10 to effectively address the unprecedented statewide fiscal crisis, thereby requiring billions of dollars in additional solutions; and

WHEREAS immediate and comprehensive action is needed to address the revenue shortfall facing the State of California.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, in accordance with Section 10(f) of Article IV of the Constitution of the State of California, HEREBY DETERMINE that General Fund revenues for Fiscal Years 2008–09 and 2009–10 will decline



substantially below the estimate of General Fund revenues upon which the 2009 Budget Act was based.

I, ARNOLD SCHWARZENEGGER, Governor of the State of California, HEREBY DECLARE that a fiscal emergency exists.

I, ARNOLD SCHWARZENEGGER, Governor of the State of California, HEREBY IDENTIFY THE NATURE OF THIS FISCAL EMERGENCY to be the projected budget imbalance and insufficient cash reserves for Fiscal Year 2009–10 and the projected insufficient cash reserves and potential budgetary deficit in Fiscal Year 2010–11 which are anticipated to result from the dramatically lower than estimated General Fund revenues in Fiscal Years 2008–09 and 2009–10.

FURTHER, on this day, as required by Section 10(f) of Article IV of the Constitution of the State of California, I will cause the Legislature to assemble in special session to address this fiscal emergency, and I will submit to the Legislature proposed legislation to address this fiscal emergency.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 1st day of July, 2009.

ARNOLD SCHWARZENEGGER
Governor of California

[SEAL]

ATTEST:

DEBRA BOWEN
Secretary of State

Senator Simitian Presiding

REQUEST FOR UNANIMOUS CONSENT

Senator Steinberg asked for and was granted unanimous consent that the officers, Committee on Rules, the Standing Committees and the Standing Rules of the 2009–10 Regular Session be deemed the same for the 2009–10 Fourth Extraordinary Session.

OATH OF OFFICE ADMINISTERED

The oath of office was administered to Senator Darrell Steinberg President pro Tempore; David Valverde Acting Secretary of the Senate; and Tony Beard, Sergeant at Arm.

RECESS

At 2 p.m., Senator Steinberg moved that the Senate stand in recess until the hour of 3:30 p.m. The Desk shall remain open to receive communications and to conduct the business of the day. At 3:30 p.m., the Senate will adjourn on call of the President pro Tempore.

Motion carried.



INTRODUCTION AND FIRST READING OF SENATE MEASURE

The following measure was introduced and read the first time:

Senate Concurrent Resolution 1: By Senator Steinberg—Relative to the Joint Rules for the 2009–10 Fourth Extraordinary Session.

REQUEST FOR UNANIMOUS CONSENT (SCR 1)

Senator Steinberg asked for unanimous consent to take up SCR 1 at this time, without reference to file.

Consideration of Senate Concurrent Resolution 1

Senate Concurrent Resolution 1—Relative to the Joint Rules for the 2009–10 Fourth Extraordinary Session.

Roll Call

The roll was called and the measure was adopted by the following vote:

AYES (23)—Senators Alquist, Calderon, Corbett, Correa, DeSaulnier, Ducheny, Florez, Hancock, Kehoe, Leno, Liu, Lowenthal, Negrete McLeod, Padilla, Pavley, Price, Romero, Simitian, Steinberg, Wiggins, Wolk, Wright, and Yee.

NOES (13)—Senators Aanestad, Ashburn, Benoit, Cox, Denham, Dutton, Harman, Hollingsworth, Huff, Runner, Strickland, Walters, and Wyland.

Resolution ordered transmitted to the Assembly.

RECESS

At 1:47 p.m., on motion of Senator Steinberg the Senate recessed in order to convene in extraordinary session.

REASSEMBLED

At 3:30 p.m., the Senate reconvened.

Hon. S. Joseph Simitian, of the 11th District, presiding.

REPORTS OF STANDING COMMITTEES

Committee on Rules

Senate Chamber, July 6, 2009

Mr. President: The Committee on Rules, to which were referred:

Req. No. 09 19261 (SB 1)	Req. No. 09 19262 (SB 2)
Req. No. 09 19263 (SB 3)	Req. No. 09 19264 (SB 4)
Req. No. 09 19268 (SB 5)	Req. No. 09 19272 (SB 6)
Req. No. 09 19274 (SB 7)	Req. No. 09 19279 (SB 8)
Req. No. 09 19282 (SB 9)	Req. No. 09 19289 (SB 10)
Req. No. 09 19292 (SB 11)	Req. No. 09 19294 (SB 12)
Req. No. 09 19301 (SB 13)	Req. No. 09 19302 (SB 14)
Req. No. 09 19304 (SB 15)	Req. No. 09 19305 (SB 16)
Req. No. 09 19306 (SB 17)	Req. No. 09 19307 (SB 18)
Req. No. 09 19308 (SB 19)	Req. No. 09 19310 (SB 20)
Req. No. 09 19312 (SB 21)	Req. No. 09 19314 (SB 22)
Req. No. 09 19317 (SB 23)	Req. No. 09 19318 (SB 24)

Req. No. 09 19320 (SB 25)	Req. No. 09 19321 (SB 26)
Req. No. 09 19322 (SB 27)	Req. No. 09 19324 (SB 28)
Req. No. 09 19298 (SB 29)	Req. No. 09 19329 (SB 30)

Has had the same under consideration and finds the same within the purview of the call and refers them to the Committee on Rules pursuant to the provisions of Rule 24.

STEINBERG, Chair

INTRODUCTION AND FIRST READING OF SENATE MEASURES

The following measures were introduced, read the first time and transmitted to the Committee on Rules for assignment:

Senate Bill 1: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 2: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 3: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 4: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 5: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 6: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 7: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 8: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 9: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 10: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 11: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 12: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 13: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 14: By Senator Ducheny—An act relating to the Budget Act of 2009.



Senate Bill 15: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 16: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 17: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 18: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 19: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 20: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 21: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 22: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 23: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 24: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 25: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 26: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 27: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 28: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 29: By Senator Ducheny—An act relating to the Budget Act of 2009.

Senate Bill 30: By Senator Ducheny—An act relating to the Budget Act of 2009.



LEAVES OF ABSENCE FOR THE DAY

The following Senator was granted leave of absence for the day due to family illness: Senator Oropeza.

The following Senator was granted leave of absence for the day due to illness: Senator Cogdill.

ADJOURNMENT

At 3:30 p.m., the President declared the Senate adjourned on call of the President pro Tempore.

PAULA K. ROSSETTO, Minute Clerk

O

