

BUDGET DEAL ELUSIVE?

Nearly three weeks after the Senate approved a new budget and embarked on its annual summer recess, the Assembly continues to grapple over a final spending plan – and does not appear close to a resolution. The lack of closure on a state budget suggests that the remainder of the current legislative session could be one of the most contentious in recent years.

The budget battle has begun to heat up as more external pressures are brought into the process. More and more pressures will come into play as individuals and various vendors no longer receive payment for goods and services delivered to state government. To date, there have been relatively few repercussions resulting from the lack of a state budget because payments have been made from funds appropriated in the 2001-02 fiscal year. However, as we move further into the 2002-03 fiscal year and additional parties begin to feel the pinch of nonpayment for salaries, goods, and services, things will change and the “blame game” will increase

Ironically, the first major casualties of the budget stalemate are legislators and about 2,300 legislative employees who have not received pay checks since the end of June. Several of Governor Davis’s appointees to the Department of Corrections also have not been paid since June, because the Department’s budget is in the red.

The “blame game” was in full view this week with the Governor and Democrats accusing the Republicans of not negotiating, not having alternatives to the Democrat budget, and playing politics because it’s an election year. Republicans blame the Governor and the Democrats for having a “spend spend” mentality, and balancing the budget with Enron/WorldCom-type accounting gimmicks.

To further complicate the issue, during the past 10 days at least three Assembly Democrats have

stated that they can not support the current budget bill. Assembly Member Dean Florez (D-Bakersfield-Fresno) said: “I don’t like this budget. The tax burden falls too heavily on vehicle owners, and it does nothing to address the structural deficit. We ought to be courageous and deal with it now. If my concerns are not addressed, I won’t vote for this budget.”

ASSEMBLY IN SESSION

The Assembly was the only house in session this week. Most of its “work” was spent paying tribute to various members who are termed out in November. This ritual takes place in both houses every election year, and has become ever more time-consuming as term limits compel the movement or retirement of more lawmakers; where prior to term limits, 5-10 legislators might have left the Assembly at the end of a given session, the average number is now closer to 30.

Assembly staffers are not happy about having to stick around the Capitol - especially since many have families that would like to be on vacation before school starts. They are also jealous of their Senate counterparts, who have been on vacation (or at least in “recess mode”) since the end of June.

IMPORTANT LEGISLATIVE DATES

- **August 5** - Legislature returns from its Summer Recess. Policy committees will meet.
- **August 16** - Last day for fiscal committees to meet and report bills to Assembly or Senate floor.
- **August 19 - 31** - Floor sessions only. Only conference committees can meet during this time.

NOTE: THE “SACRAMENTO SCENE” WILL NOT BE PUBLISHED NEXT WEEK.