



**WEST BASIN MUNICIPAL WATER DISTRICT**  
17140 S. Avalon Blvd., Suite 210  
Carson, CA 90746

**AGENDA NO. 31**

**MARCH 13, 2009 – Communications**

Kwan (Chair), Gray

**MARCH 23, 2008 – Board Meeting**

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Approved by: Rich Nagel

## INFORMATION CALENDAR

### LEGISLATIVE UPDATE

#### SUMMARY:

Throughout the months of December, January and into February, the State budget has consumed all attention and resources in Sacramento. California's budget crisis, further exacerbated by a deteriorating national economy, prompted the State to furlough thousands of employees, layoff contractors, and prepare to halt all bond-funded projects. On Thursday, February 19, the California State Senate and Assembly reached a compromise and passed a 17-month budget.

The budget, negotiated by the "Big Five," (Governor Arnold Schwarzenegger, Senate President Pro Tem Darrell Steinberg, then-Senate Minority Leader Dave Cogdill, Assembly Speaker Karen Bass and Assembly Minority Leader Mike Villines) contains a mix of \$15.8 billion in spending cuts, \$14.3 billion in revenue increases (including an increase of State sales tax by one cent on the dollar, personal income tax increase, and raising the State's vehicle license fee from 0.65 percent of a vehicle's value to 1.15 percent) and \$10.9 billion in borrowing to address the \$42 billion deficit.

In order to secure the votes needed in the Senate, budget negotiations continued for nearly 48 continuous hours. At the conclusion of the negotiations, Senator Abel Maldonado (R-San Luis Obispo) agreed to support the budget and provide the legislature the necessary votes, in exchange for the following concessions:

1. A constitutional amendment for placement on the June 2010 ballot creating an "open primary," affecting congressional and State races in 2012 and beyond;
2. A constitutional amendment banning legislative pay increases during deficit years. The measure is slated for a special election on May 19; and
3. Elimination of the 12-cent additional gas tax, replaced with a 0.25 % increase in the State income tax; federal stimulus funds; and, more than \$600 million in line-item vetoes.

#### **Moving Forward**

Now that the budget has been approved and signed by the Governor, the California State Legislature will return to its daily course of business. **This will include the introduction of legislation, which the deadline was February 27.** Staff will have a detailed legislative summary grid prepared and distributed prior to the March Board meeting for a complete legislative update at that time.

STRATEGIC BUSINESS PLAN IMPLEMENTATION:

Goal 6, Communications – Engage in effective two-way communications of West Basin’s programs and policies with the customer agencies and communities we serve.

COMMITMENT STATEMENT:

Water Reliability – West Basin is committed to innovative planning and investments to provide water supply reliability and drought protection.

Customer Service – West Basin is committed to providing value by understanding and meeting the needs of our customers and the communities we serve.

FISCAL IMPACTS:

None.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Communications Committee on March 13, 2009 and agendized to the March 12, 2009 Board meeting as information for discussion.

RECOMMENDED MOTION:

This item is for information only.

LIST OF EXHIBITS:

None.