

WEEKLY UPDATE

July 8, 2005

2005-06 State Budget

The budget was voted on and passed Thursday, July 7th by the legislature. Governor Schwarzenegger and the Democratic leaders reached an agreement this Tuesday on the 2005-06 budget. California's legislators passed a \$117.5 billion budget. The budget reduces the expected State deficit in the 2006-07 fiscal year from \$15 billion to \$4.7 billion. It's a start. The Senate voted 33-4 and the Assembly voted 64-13 to pass a budget with no new taxes, and no additional borrowing. Now that the legislators have passed the budget, Governor Schwarzenegger will review it and look for budget-line items to veto. He is expected to sign the budget next week. Analysts are stating that the State's perpetual fiscal imbalance is because legislators continue to spend money California does not have.

Budget Highlights:

- **Teacher Pensions:** Governor Schwarzenegger originally wanted school districts to pick up \$469 million in pension costs. A compromise for the state to continue paying all of the costs – but half of that will come from delaying some Proposition 98 payments.
- **Local Government Funds:** Governor Schwarzenegger had proposed paying at least half of \$1.2 billion owed to local cities and counties in vehicle license fee funds in 2005-06 while Democrats wanted to pay the full amount in 2006-07. The compromise is for the state to pay the full amount in 2005-06.
- **Employee Compensation:** Governor Schwarzenegger had proposed saving \$408 million by renegotiating employee salaries. The new deal calls for only \$40 million in savings through employee renegotiations.

Governor Schwarzenegger Appointments

Governor Schwarzenegger has appointed Rod Hickman as Secretary to the new California Department of Corrections and Rehabilitation (CDCR). Jeanne Woodford, who formerly was the CDC Director, is now Undersecretary of the new CDCR. Joseph McGrath is the Chief Deputy Secretary for Adult Operations and Bernard Warner is the new Chief Deputy Secretary for Juvenile Justice of the new California Department of Corrections and Rehabilitation. There are many appointments that can be viewed on the Governor's website. I have listed a few of the main appointments as follows:

California Department of Corrections & Rehabilitation

Rod Hickman, Secretary

Jeanne Woodford, Undersecretary

Joseph McGrath, Chief Deputy Secretary, Adult Operations

**Bernard Warner, Chief Deputy Secretary, Juvenile Justice*

*Walter Allen
Assistant Secretary
Secretary
for Correctional Safety
Legislation*

*John Dovey
Director of Adult
Institutions*

*Brigid Hanson
Assistant Secretary
of Labor Relations*

*Joyce Hayhoe
Assistant
for*

*David Lewis
Associate Director
for Fiscal Services*

*Nancy Lundgren
Chief of Communications*

*Tim V. Virga
Chief of Labor Relations*

*Mr. Warner is in Florida for the next three weeks. He will take office next month.

Early Release of Inmates

It was cited in the Los Angeles Daily News on Tuesday, July 5th that an estimated 7000+ parolees have failed to report to their Parole Agents in Los Angeles County. Earlier this year a move to parole more inmates in order to reduce costs within corrections appears to be failing. Parole Agents are overwhelmed by the massive workload and inability to track parolees. The news article cited parolees at large that are on the 10 Most Wanted List: parolees who have fatally shot police officers, kidnappers and murderers.

CCSO opposes the early release of inmates because it is a danger to the public. California statistics reflect two out of three parolee's return to prison before completing their parole. If the parole system is to be successful, funding is necessary to hire more Parole Agents and enhance the transition from prison to the streets.

Welcome New Members

On behalf of the CCSO State Board and staff, I want to welcome the new members who have joined CCSO this week.

Thought for the Week

"Reputation is what other people know about you. Honor is what you know about yourself". – Lois McMaster Bujold

I will be on vacation next week, so the next Weekly Update will be July 22, 2005.