

# CALIFORNIA CORRECTIONAL SUPERVISORS ORGANIZATION

February 20, 2009 - Weekly Update

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**Budget is Passed:** The California Legislature voted on Thursday, February 19<sup>th</sup>, to approve a massive budget package of tax increases, spending cuts and borrowing to close a \$42 billion deficit after granting major concessions to one holdout Republican senator.

The deal comes at a time when California was headed for fiscal calamity, already unable to pay all its bills and on the verge of suspending 374 construction projects that were valued at \$5.58 billion and could have affected more than 90,000 jobs statewide.

Leaders agreed to Senator Maldonado's demand to eliminate the 12-cent additional gas tax, which was estimated to bring in \$2.1 billion through June 2010, and up to a 5 percent surcharge on income tax liability. The money will be replaced with a 0.25 percent increase in the state income tax rate, federal stimulus dollars and more than \$600 million in line-item vetoes.

With the changes made, the deal totals \$15 billion in state spending reductions, \$12.8 billion in temporary tax increases, \$11.4 billion in borrowing and a \$1 billion reserve.

## Highlights:

1. Furloughs will continue for 238,000 state workers, trimming overtime pay and eliminate Lincoln's Birthday and Columbus Day as paid state holidays. However, the furloughs will be reduced from two days a month to one and workers would receive two personal days off in exchange for giving up the paid holidays
2. 1% increase in state sales tax
3. The current 0.65% vehicle license fee will go to 1% with an additional ongoing 0.15% for a total of 1.15% dedicated to local law enforcement programs
4. Increase personal income tax by 0.25%
5. Reduce the dependent tax credit a taxpayer can claim to the federal level of \$100
6. Reduce education spending by \$9 billion over 2 years
7. Temporarily redirects tobacco tax to fund various children services

**Long-Lasting Reforms:** *Real Rainy-Day Fund.* By capturing excess revenues in good years and saving them in an air-tight fund for use only in the bad years, this budget reform will prevent future governors and legislatures from grappling with the budget crisis we saw this year. *Legislators' Pay Raises.* When California is spending more money than it is taking in, no state elected officials should be receiving pay raises. *Opening up primary elections.* This will allow legislators to listen to the people versus special interest groups according to the Governor's Office.

## Excerpts from Governor's Press Conference:

1. The first leg is the \$14.9 billion in cuts, with most of them coming from the biggest areas in our budget, which is education, health and human services, the judiciary, state workers and employee compensation.
2. The second leg is the \$12.5 billion in revenues. All revenue increases are temporary. This includes new and increased taxes on sales, vehicles and personal income. In addition to those revenues we also will get \$5 billion from our state lottery.
3. Now, the third leg is an economic stimulus package that improves our business climate and puts people to work. There are various different components to that.

A: Our package will expedite environmental review on transportation projects so that we can start with them very quickly and fill those jobs and put people to work.

B: For the first time we will use public-private partnerships to build the roads, prison medical facilities and other projects. This will save taxpayers' money and get infrastructure built faster, better and cheaper.

C: We will also use design-build authority to plan and to build state and local transportation projects, which will also save taxpayers' money and create an endless amount of jobs.

D: We will revise our labor laws to give employers and employees greater flexibility in order to make businesses in California more competitive.

E: We will focus on creating jobs and boosting our economy by providing incentives to California companies that hire California workers.

F: Here's one of my favorites also -- we have incentives for movies and for TV productions so that we can keep them in California. And,

G: We will put in place a home-buyers' tax credit.

4. Now, there's the fourth leg, the fourth leg of the stool, which will save billions of dollars by making government more efficient.

A: We will begin to coordinate and consolidate 130 separate state ID programs under the Chief Information Officer. This will save us up to \$4 billion over the next five years.

B: The state's various energy responsibilities that are now spread across numerous agencies and departments will begin to be consolidated into a new Cabinet-level California Department of Energy, reducing waste and duplication in the state.

C: We will free up billions of dollars in school funding by reforming categorical funding for education.

Now, this way we can keep more money in the classroom. And I think this is something that goes back to 2003 where I said already then that Sacramento has to stop being the school-yard bully and telling the locals what to do.

**Furlough - Overtime:** There is some confusion for S06 employees due to the memorandum referencing R06 employees and overtime.

Please note that since S06 are not subject to a 7-K work period that S06 employees fall under the 40-hour workweek. During a week, when a furlough day is taken, S06 staff must work over 40 hours to receive overtime pay.

Thank you CCSO State Sgt. Vice President John Hughes, who has taken calls from members on this confusion and brought it to the main office's attention that we needed to clarify this issue to our members.

**Judge Rules To Cap CDCR Population:** Last week, federal judges brought down the hammer, tentatively ruling that the state must free about one-third of its prison inmates within the next few years, citing overcrowding as the main problem of California's broken prison system.

CDCR Secretary Matt Cate, said at a Sacramento news conference that the judges' order would put thousands of inmates back on the streets, posing "a significant threat to public safety." Attorney General Jerry Brown, who represented the state, said the court "does not recognize the imperatives of public safety, nor the challenges of incarcerating criminals, many of whom are deeply disturbed." A lawyer for inmates who sued the state, said the ruling validates the group's position that overcrowding is creating dangerous conditions that can be eased only by reducing the prison population.

Governor Schwarzenegger and CDCR will appeal this decision.

**Reported by Lt. Chris Gold, State Board Member and Law Enforcement Liaison:** “On Thursday February 19, 2009, as the CCSO Law Enforcement Liaison, I participated in the Sex Offender Management Board Meeting held in Sacramento. This meeting was an exceptional opportunity for CCSO to experience and grasp firsthand knowledge surrounding the Mission Statement and the evidence based strategies for effective Sex Offender Management. I was also provided a better understanding of issues such as the big “R” word, as in recidivism in relation to our inmate population and the impact this has on our communities. The Board also discussed issues on Transitional Housing for sex offenders in relationship to the cost factor, Jessica’s Law, Sexual Assault, and many other topics.

I spoke with Undersecretary Scott Kernan, as well as a representative from the Governor’s Office and several other Executive staff. I was honored when CCSO was complimented on the fact that in just about every corner of the state when there are CDCR issues, CCSO is always present and involved, which demonstrates our Organizations commitment, interest and concern for its membership.

Prior to the conclusion of this meeting, I spent time speaking with the Governor’s staff representative. Although this meeting had nothing to do with the current “Work Furloughs” and impending layoffs of state employees, I felt a sense of responsibility to **AGAIN**, bring this issue up, and let our position be know. I said, we as an Organization feel that to budget California’s deficit on the backs of state workers that are charged with the responsibility to keep our state programs running is unconscionable.

Today is Friday February 20th and this is my second furlough day for this month. I will head out to a few more local institutions, to visit staff and express support during these difficult times. We are in this together and United we must stand.”

**Take Care and As Always Be Safe**